

**Department of Social Services  
MO HealthNet Division**

**Fiscal Year 2016 Budget Request**

**Brian Kinkade, Director**

***Printed with Governor's Recommendations***



# Department Of Social Services

## Mo HealthNet Division

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**Governor's  
Recommendations  
Summary**

DEPARTMENT OF SOCIAL SERVICES  
FISCAL YEAR 2016 SAM SECTION

H.B. Sec.	Decision Item Name	2016 Department Request					2016 Governor Recommendations				
		FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
11.400	<b>MO HealthNet Administration</b>										
	Core	234.11	3,543,738	8,779,258	2,393,497	14,716,493	234.11	3,543,738	8,779,258	2,393,497	14,716,493
	Pay Plan CTC	0.00	14,964	29,079	9,650	53,693	0.00	14,964	29,079	9,650	53,693
	PAB Pay Plan CTC		844	1,557	352	2,753		844	1,557	352	2,753
	<b>Total</b>	<b>234.11</b>	<b>3,559,546</b>	<b>8,809,894</b>	<b>2,403,499</b>	<b>14,772,939</b>	<b>234.11</b>	<b>3,559,546</b>	<b>8,809,894</b>	<b>2,403,499</b>	<b>14,772,939</b>
11.405	<b>Clinical Services Program Management</b>										
	Core	0.00	476,154	12,214,032	2,485,506	15,175,692	0.00	476,154	12,214,032	2,485,506	15,175,692
	<b>Total</b>	<b>0.00</b>	<b>476,154</b>	<b>12,214,032</b>	<b>2,485,506</b>	<b>15,175,692</b>	<b>0.00</b>	<b>476,154</b>	<b>12,214,032</b>	<b>2,485,506</b>	<b>15,175,692</b>
11.410	<b>Women &amp; Minority Health Care Outreach</b>										
	Core	0.00	546,125	568,625	0	1,114,750	0.00	546,125	568,625	0	1,114,750
	<b>Total</b>	<b>0.00</b>	<b>546,125</b>	<b>568,625</b>	<b>0</b>	<b>1,114,750</b>	<b>0.00</b>	<b>546,125</b>	<b>568,625</b>	<b>0</b>	<b>1,114,750</b>
11.415	<b>TPL Contracts</b>										
	Core	0.00	0	3,000,000	3,000,000	6,000,000	0.00	0	3,000,000	3,000,000	6,000,000
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>6,000,000</b>	<b>0.00</b>	<b>0</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>6,000,000</b>
11.420	<b>Information Systems</b>										
	Core	0.00	5,713,940	43,700,350	2,021,687	51,435,977	0.00	5,713,940	43,700,350	2,021,687	51,435,977
	Sustaining Technology Infrastruct	0.00	2,050,000	13,050,000	0	15,100,000	0.00	2,050,000	13,050,000	0	15,100,000
	Enterprise E H R	0.00	150,000	1,350,000	0	1,500,000	0.00	150,000	1,350,000	0	1,500,000
	<b>Total</b>	<b>0.00</b>	<b>7,913,940</b>	<b>58,100,350</b>	<b>2,021,687</b>	<b>68,035,977</b>	<b>0.00</b>	<b>7,913,940</b>	<b>58,100,350</b>	<b>2,021,687</b>	<b>68,035,977</b>
11.425	<b>Electronic Health Records Incentives</b>										
	Core	0.00	0	60,000,000	0	60,000,000	0.00	0	60,000,000	0	60,000,000
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>60,000,000</b>	<b>0</b>	<b>60,000,000</b>	<b>0.00</b>	<b>0</b>	<b>60,000,000</b>	<b>0</b>	<b>60,000,000</b>
11.430	<b>Money Follows the Person</b>										
	Core	0.00	0	532,549	0	532,549	0.00	0	532,549	0	532,549
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>532,549</b>	<b>0</b>	<b>532,549</b>	<b>0.00</b>	<b>0</b>	<b>532,549</b>	<b>0</b>	<b>532,549</b>

DEPARTMENT OF SOCIAL SERVICES  
FISCAL YEAR 2016 SAM SECTION

H.B. Sec	Decision Item Name	2016 Department Request				
		FTE	GR	FF	OF	Total
11.435	<b>Pharmacy</b>					
	Core	0.00	22,914,422	627,867,981	276,426,292	927,208,695
	PMPM Specialty	0.00	23,777,372	60,258,959	10,476,407	94,512,738
	GR Pickup		76,150,000	0	0	76,150,000
	Medicaid Cost to Continue		38,253,188	79,804,166	0	118,057,354
	FMAP Adjustment					
	PMPM Non-specialty		6,652,918	16,860,478	2,931,302	26,444,698
	<b>Total</b>	<b>0.00</b>	<b>167,747,900</b>	<b>784,791,584</b>	<b>289,834,001</b>	<b>1,242,373,485</b>

2016 Governor Recommendations				
FTE	GR	FF	OF	Total
0.00	49,171,687	627,867,981	296,426,292	973,465,960
0.00	17,524,922	54,416,425	13,407,710	85,349,057
	8,850,000	0	17,300,000	26,150,000
	27,442,498	47,379,591	0	74,822,089
	0	3,742,735	0	3,742,735
	6,439,447	11,328,220	0	17,767,667
<b>0.00</b>	<b>109,428,554</b>	<b>744,734,952</b>	<b>327,134,002</b>	<b>1,181,297,508</b>

11.435	<b>Pharmacy - Medicare Part D Clawback</b>					
	Core	0.00	173,348,532	0	0	173,348,532
	Medicaid Cost to Continue		10,211,877	0	0	10,211,877
	<b>Total</b>	<b>0.00</b>	<b>183,560,409</b>	<b>0</b>	<b>0</b>	<b>183,560,409</b>

0.00	173,348,532	0	0	173,348,532
	9,780,994	0	0	9,780,994
<b>0.00</b>	<b>183,129,526</b>	<b>0</b>	<b>0</b>	<b>183,129,526</b>

11.435	<b>Missouri Rx Plan</b>					
	Core	0.00	11,208,703	0	6,982,425	18,191,128
	GR Pickup		5,561,963	0	0	5,561,963
	MO Rx Increase		836,413	0	0	836,413
	<b>Total</b>	<b>0.00</b>	<b>17,607,079</b>	<b>0</b>	<b>6,982,425</b>	<b>24,589,504</b>

0.00	11,208,703	0	6,982,425	18,191,128
	5,561,963	0	0	5,561,963
	836,413	0	0	836,413
<b>0.00</b>	<b>17,607,079</b>	<b>0</b>	<b>6,982,425</b>	<b>24,589,504</b>

11.440	<b>Pharmacy FRA</b>					
	Core	0.00	0	0	108,308,926	108,308,926
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>108,308,926</b>	<b>108,308,926</b>

0.00	0	0	108,308,926	108,308,926
<b>0.00</b>	<b>0</b>	<b>0</b>	<b>108,308,926</b>	<b>108,308,926</b>

11.445	<b>GR Pharmacy FRA Transfer</b>					
	Core	0.00	35,764,609	0	0	35,764,609
	Trnsfr Authority Inc					
	<b>Total</b>	<b>0.00</b>	<b>35,764,609</b>	<b>0</b>	<b>0</b>	<b>35,764,609</b>

0.00	35,764,609	0	0	35,764,609
	2,972,502			2,972,502
<b>0.00</b>	<b>38,737,111</b>	<b>0</b>	<b>0</b>	<b>38,737,111</b>

11.450	<b>Pharmacy FRA Transfer</b>					
	Core	0.00	0	0	35,764,609	35,764,609
	Trnsfr Authority Inc					
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>35,764,609</b>	<b>35,764,609</b>

0.00	0	0	35,764,609	35,764,609
	0		2,972,502	2,972,502
<b>0.00</b>	<b>0</b>	<b>0</b>	<b>38,737,111</b>	<b>38,737,111</b>

11.455	<b>Physician Related</b>					
	Core	0.00	198,042,723	390,006,979	12,316,772	600,366,474
	Medicaid Cost to Continue	0.00	16,388,083	0	0	16,388,083
	FMAP Adjustment					
	<b>Total</b>	<b>0.00</b>	<b>214,430,806</b>	<b>390,006,979</b>	<b>12,316,772</b>	<b>616,754,557</b>

0.00	168,817,787	381,105,045	27,316,772	577,239,604
0.00	0	0	0	0
	0	690,073	0	690,073
<b>0.00</b>	<b>168,817,787</b>	<b>381,795,118</b>	<b>27,316,772</b>	<b>577,929,677</b>

11.460	<b>Dental</b>					
	Core	0.00	23,396,947	41,783,127	919,935	66,100,009
	FMAP Adjustment					
	<b>Total</b>	<b>0.00</b>	<b>23,396,947</b>	<b>41,783,127</b>	<b>919,935</b>	<b>66,100,009</b>

0.00	4,381,357	9,173,093	919,935	14,474,385
	0	62,098	0	62,098
<b>0.00</b>	<b>4,381,357</b>	<b>9,235,191</b>	<b>919,935</b>	<b>14,536,483</b>

DEPARTMENT OF SOCIAL SERVICES  
FISCAL YEAR 2016 SAM SECTION

H.B. Sec.	Decision Item Name	2016 Department Request					2016 Governor Recommendations				
		FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
11.465	<b>Premium Payments</b>										
	Core	0.00	70,814,205	129,405,291	0	200,219,496	0.00	67,746,481	126,627,946	0	194,374,427
	Medicare Premium Increase	0.00	1,511,753	2,920,165	0	4,431,918	0.00	0	0	0	0
	FMAP Adjustment							0	1,459,072	0	1,459,072
	<b>Total</b>	<b>0.00</b>	<b>72,325,958</b>	<b>132,325,456</b>	<b>0</b>	<b>204,651,414</b>	<b>0.00</b>	<b>67,746,481</b>	<b>128,087,018</b>	<b>0</b>	<b>195,833,499</b>
11.470	<b>Nursing Facilities</b>										
	Core	0.00	136,285,830	353,057,729	70,262,188	559,605,747	0.00	135,973,551	354,701,555	70,262,188	560,937,294
	Medicaid Cost to Continue		11,257,514	8,307,425	0	19,564,939		6,123,464	20,813,926	4,400,000	31,337,390
	FMAP Adjustment							0	1,264,391	0	1,264,391
	<b>Total</b>	<b>0.00</b>	<b>147,543,344</b>	<b>361,365,154</b>	<b>70,262,188</b>	<b>579,170,686</b>	<b>0.00</b>	<b>142,097,015</b>	<b>376,779,872</b>	<b>74,662,188</b>	<b>593,539,075</b>
11.470	<b>Home Health</b>										
	Core	0.00	2,863,153	5,148,490	159,305	8,170,948	0.00	1,885,442	3,504,664	159,305	5,549,411
	FMAP Adjustment							0	25,599	0	25,599
	<b>Total</b>	<b>0.00</b>	<b>2,863,153</b>	<b>5,148,490</b>	<b>159,305</b>	<b>8,170,948</b>	<b>0.00</b>	<b>1,885,442</b>	<b>3,530,263</b>	<b>159,305</b>	<b>5,575,010</b>
11.470	<b>PACE</b>										
	Core	0.00	2,531,934	4,416,247	0	6,948,181	0.00	2,548,384	4,399,797	0	6,948,181
	Medicaid Cost to Continue	0.00	64,430	22,959	0	87,389	0.00	81,086	53,253	0	134,339
	<b>Total</b>	<b>0.00</b>	<b>2,596,364</b>	<b>4,439,206</b>	<b>0</b>	<b>7,035,570</b>	<b>0.00</b>	<b>2,629,470</b>	<b>4,453,050</b>	<b>0</b>	<b>7,082,520</b>
11.475	<b>Long Term Support UPL Transfer</b>										
	Core	0.00	0	0	10,990,982	10,990,982	0.00	0	0	10,990,982	10,990,982
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>10,990,982</b>	<b>10,990,982</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>10,990,982</b>	<b>10,990,982</b>
11.480	<b>Long Term Support Payments</b>										
	Core	0.00	0	28,393,011	17,502,101	45,895,112	0.00	0	28,393,011	17,502,101	45,895,112
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>28,393,011</b>	<b>17,502,101</b>	<b>45,895,112</b>	<b>0.00</b>	<b>0</b>	<b>28,393,011</b>	<b>17,502,101</b>	<b>45,895,112</b>
11.485	<b>Rehab &amp; Specialty Services</b>										
	Core	0.00	81,712,515	178,484,040	23,963,416	284,159,971	0.00	81,437,364	180,185,662	23,963,416	285,586,442
	Hospice Rate Increase	0.00	113,357	196,785	0	310,142	0.00	113,751	196,391	0	310,142
	Medicaid Cost to Continue	0.00	5,076,688	5,268,596	0	10,345,284	0.00	783,019	0	0	783,019
	FMAP Adjustment							0	1,260,739	0	1,260,739
	<b>Total</b>	<b>0.00</b>	<b>86,902,560</b>	<b>183,949,421</b>	<b>23,963,416</b>	<b>294,815,397</b>	<b>0.00</b>	<b>82,334,134</b>	<b>181,642,792</b>	<b>23,963,416</b>	<b>287,940,342</b>
11.485	<b>NEMT</b>										
	Core	0.00	12,645,837	28,540,720	0	41,186,557	0.00	10,532,755	28,540,720	0	39,073,475
	Medicaid Cost to Continue		532,564	0	0	532,564		714,142	326,703	0	1,040,845
	NEMT Rate Increase		564,207	964,602	0	1,528,809		560,721	968,088	0	1,528,809
	FMAP Adjustment							0	2,113,082	0	2,113,082
	<b>Total</b>	<b>0.00</b>	<b>13,742,608</b>	<b>29,505,322</b>	<b>0</b>	<b>43,247,930</b>	<b>0.00</b>	<b>11,807,618</b>	<b>31,948,593</b>	<b>0</b>	<b>43,756,211</b>
11.485	<b>Community Health Access Programs</b>										
	Core	0.00	1,250,000	0	0	1,250,000	0.00	0	0	0	0
	<b>Total</b>	<b>0.00</b>	<b>1,250,000</b>	<b>0</b>	<b>0</b>	<b>1,250,000</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

DEPARTMENT OF SOCIAL SERVICES  
FISCAL YEAR 2016 SAM SECTION

H.B. Sec.	Decision Item Name	2016 Department Request				
		FTE	GR	FF	OF	Total
11.490	<b>Complex Rehab Technology Products</b>					
	Core	0.00	4,689,640	8,017,690	0	12,707,330
	<b>Total</b>	<b>0.00</b>	<b>4,689,640</b>	<b>8,017,690</b>	<b>0</b>	<b>12,707,330</b>
11.495	<b>Ambulance SRV Reim. Allow Transfer</b>					
	Core	0.00	18,236,543	0	0	18,236,543
	<b>Total</b>	<b>0.00</b>	<b>18,236,543</b>	<b>0</b>	<b>0</b>	<b>18,236,543</b>
11.500	<b>GR Ambulance SRV Reim. Allow Transfer</b>					
	Core	0.00	0	0	18,236,543	18,236,543
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>18,236,543</b>	<b>18,236,543</b>
11.505	<b>Managed Care</b>					
	Core	0.00	306,929,536	771,302,700	116,652,393	1,194,884,629
	Managed Care Actuarial Increase	0.00	22,784,349	40,082,034	0	62,866,383
	AFRA Increase	0.00	0	0	522,459	522,459
	<b>Total</b>	<b>0.00</b>	<b>329,713,885</b>	<b>811,384,734</b>	<b>117,174,852</b>	<b>1,258,273,471</b>
11.510	<b>Hospital Care</b>					
	Core	0.00	23,907,762	511,736,566	254,518,394	790,162,722
	Medicaid Cost to Continue	0.00	6,775,256	0	0	6,775,256
	HIF GR pickup	0.00	9,171,007	0	0	9,171,007
	<b>Total</b>	<b>0.00</b>	<b>39,854,025</b>	<b>511,736,566</b>	<b>254,518,394</b>	<b>806,108,985</b>
11.515	<b>Physician Payments for Safety Net</b>					
	Core	0.00	0	8,000,000	0	8,000,000
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>8,000,000</b>	<b>0</b>	<b>8,000,000</b>
11.520	<b>FQHC Distribution</b>					
	Core	0.00	6,819,459	7,629,690	0	14,449,149
	<b>Total</b>	<b>0.00</b>	<b>6,819,459</b>	<b>7,629,690</b>	<b>0</b>	<b>14,449,149</b>
11.525	<b>IGT Health Care Home</b>					
	Core	0.00	0	6,900,000	700,000	7,600,000
	Health Homes FRA IGT		0	0	1,753,934	1,753,934
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>6,900,000</b>	<b>2,453,934</b>	<b>9,353,934</b>
11.527	<b>Foster Kids Health Home</b>					
	Core	0.00	250,000	2,250,000	0	2,500,000
	<b>Total</b>	<b>0.00</b>	<b>250,000</b>	<b>2,250,000</b>	<b>0</b>	<b>2,500,000</b>
11.528	<b>Asthma Services</b>					
	Core	0.00	524,033	4,716,297	0	5,240,330
	<b>Total</b>	<b>0.00</b>	<b>524,033</b>	<b>4,716,297</b>	<b>0</b>	<b>5,240,330</b>
11.529	<b>Regional Care Coordination</b>					
	Core	0.00	500,000	4,500,000	0	5,000,000
	<b>Total</b>	<b>0.00</b>	<b>500,000</b>	<b>4,500,000</b>	<b>0</b>	<b>5,000,000</b>

2016 Governor Recommendations				
FTE	GR	FF	OF	Total
0.00	3,704,052	6,316,068	0	10,020,120
0.00	3,704,052	6,316,068	0	10,020,120
0.00	18,236,543	0	0	18,236,543
0.00	18,236,543	0	0	18,236,543
0.00	0	0	18,236,543	18,236,543
0.00	0	0	18,236,543	18,236,543
0.00	298,393,520	770,298,816	131,652,393	1,200,344,729
0.00	0	11,187,155	5,000	11,192,155
0.00	0	0	522,459	522,459
0.00	298,393,520	781,485,971	132,179,852	1,212,059,343
0.00	29,956,265	520,563,852	259,402,460	809,922,577
0.00	5,167,450	0	0	5,167,450
0.00	4,286,941	0	0	4,286,941
0.00	39,410,656	520,563,852	259,402,460	819,376,968
0.00	0	8,000,000	0	8,000,000
0.00	0	8,000,000	0	8,000,000
0.00	3,881,259	7,629,690	0	11,510,949
0.00	3,881,259	7,629,690	0	11,510,949
0.00	0	6,900,000	700,000	7,600,000
0.00	0	0	1,753,934	1,753,934
0.00	0	6,900,000	2,453,934	9,353,934
0.00	0	0	0	0
0.00	0	0	0	0
0.00	0	0	0	0
0.00	0	0	0	0
0.00	0	0	0	0

DEPARTMENT OF SOCIAL SERVICES  
FISCAL YEAR 2016 SAM SECTION

H.B. Sec.	Decision Item Name	2016 Department Request				
		FTE	GR	FF	OF	Total
11.530	<b>Federal Reimbursement Allowance</b>					
	Core	0.00	0	0	1,022,818,734	1,022,818,734
	FRA DSH Redistribution		0	0	1	1
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>1,022,818,735</b>	<b>1,022,818,735</b>
11.535	<b>IGT Transfer</b>					
	Core	0.00	0	0	96,885,215	96,885,215
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>96,885,215</b>	<b>96,885,215</b>
11.540	<b>IGT Safety Net Hospitals</b>					
	Core	0.00	0	129,505,748	70,348,801	199,854,549
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>129,505,748</b>	<b>70,348,801</b>	<b>199,854,549</b>
11.545	<b>IGT DMH Medicaid Programs</b>					
	Core	0.00	0	194,011,173	119,579,424	313,590,597
	Medicaid CTC		0	0	5,600,000	5,600,000
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>194,011,173</b>	<b>125,179,424</b>	<b>319,190,597</b>
11.550	<b>Women's Health Services</b>					
	Core	0.00	1,253,437	9,281,097	216,790	10,751,324
	Pharmacy PMPM Specialty	0.00	14,080	126,714	0	140,794
	Medicaid Cost to Continue	0.00	49,034	0	0	49,034
	Pharmacy PMPM Non-Specialty	0.00	3,939	35,455	0	39,394
	<b>Total</b>	<b>0.00</b>	<b>1,320,490</b>	<b>9,443,266</b>	<b>216,790</b>	<b>10,980,546</b>
11.555	<b>CHIP</b>					
	Core	0.00	30,926,183	134,009,604	16,530,740	181,466,527
	Managed Care Actuarial Increase		1,082,084	3,107,168	0	4,189,252
	Pharmacy PMPM Specialty		1,259,857	3,617,636	0	4,877,493
	HIF GR Pickup		816,508	0	0	816,508
	Pharmacy PMPM Non-Specialty		352,508	1,012,216	0	1,364,724
	FMAP Adjustment					
	<b>Total</b>	<b>0.00</b>	<b>34,437,140</b>	<b>141,746,624</b>	<b>16,530,740</b>	<b>192,714,504</b>
11.560	<b>GR FRA Transfer</b>					
	Core	0.00	584,612,737	0	0	584,612,737
	Transfer Authority Cost to Contin	0.00	47,494,763	0	0	47,494,763
	<b>Total</b>	<b>0.00</b>	<b>632,107,500</b>	<b>0</b>	<b>0</b>	<b>632,107,500</b>
11.565	<b>FRA Transfer</b>					
	Core	0.00	0	0	584,612,737	584,612,737
	Transfer Authority Cost to Contin	0.00	0	0	47,494,763	47,494,763
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>632,107,500</b>	<b>632,107,500</b>
11.570	<b>GR NFRA Transfer</b>					
	Core	0.00	210,950,510	0	0	210,950,510
	Transfer Authority Cost to Contin	0.00	2,972,502	0	0	2,972,502
	<b>Total</b>	<b>0.00</b>	<b>213,923,012</b>	<b>0</b>	<b>0</b>	<b>213,923,012</b>

2016 Governor Recommendations				
FTE	GR	FF	OF	Total
0.00	0	0	1,022,818,734	1,022,818,734
	0	0	1	1
0.00	0	0	1,022,818,735	1,022,818,735
0.00	0	0	96,885,215	96,885,215
0.00	0	0	96,885,215	96,885,215
0.00	0	129,505,748	70,348,801	199,854,549
0.00	0	129,505,748	70,348,801	199,854,549
0.00	0	194,011,173	119,579,424	313,590,597
	0	0	5,600,000	5,600,000
0.00	0	194,011,173	125,179,424	319,190,597
0.00	1,632,618	8,663,505	216,790	10,512,913
0.00	12,714	114,429	0	127,143
0.00	0	0	0	0
0.00	2,647	23,821	0	26,468
0.00	1,647,979	8,801,755	216,790	10,666,524
0.00	29,745,049	135,571,209	17,347,248	182,663,506
	0	1,938,497	0	1,938,497
	1,117,443	3,287,142	0	4,404,585
	0	0	0	0
	232,625	684,306	0	916,931
	0	1,720,437	0	1,720,437
0.00	31,095,117	143,201,591	17,347,248	191,643,956
0.00	584,612,737	0	0	584,612,737
0.00	47,494,763	0	0	47,494,763
0.00	632,107,500	0	0	632,107,500
0.00	0	0	584,612,737	584,612,737
0.00	0	0	47,494,763	47,494,763
0.00	0	0	632,107,500	632,107,500
0.00	210,950,510	0	0	210,950,510
0.00	0	0	0	0
0.00	210,950,510	0	0	210,950,510

DEPARTMENT OF SOCIAL SERVICES  
FISCAL YEAR 2016 SAM SECTION

H.B. Sec.	Decision Item Name	2016 Department Request				
		FTE	GR	FF	OF	Total
11.575	<b>Nursing Facility Reimbursement Transfer</b>					
	Core	0.00	0	0	210,950,510	210,950,510
	Transfer Authority Cost to Continue	0.00	0	0	2,972,502	2,972,502
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>213,923,012</b>	<b>213,923,012</b>
11.580	<b>Nursing Facility Quality Transfer</b>					
	Core	0.00	0	0	1,500,000	1,500,000
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>1,500,000</b>	<b>1,500,000</b>
11.585	<b>Nursing Facility FRA</b>					
	Core	0.00	0	0	311,457,057	311,457,057
	Medicaid Cost to Continue		0	0	8,994,591	8,994,591
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>320,451,648</b>	<b>320,451,648</b>
11.590	<b>School District Medicaid Claiming</b>					
	Core	0.00	69,954	54,653,770	0	54,723,724
	Medicaid Cost to Continue		0	0	8,994,591	8,994,591
	<b>Total</b>	<b>0.00</b>	<b>69,954</b>	<b>54,653,770</b>	<b>0</b>	<b>54,723,724</b>
11.595	<b>Blind Pension Medical Benefits</b>					
	Core	0.00	24,256,396	0	0	24,256,396
	Pharmacy PMPM Specialty	0.00	1,035,839	0	0	1,035,839
	Pharmacy PMPM Non-specialty	0.00	289,828	0	0	289,828
	<b>Total</b>	<b>0.00</b>	<b>25,582,063</b>	<b>0</b>	<b>0</b>	<b>25,582,063</b>
	<b>Total MO HealthNet Core</b>	<b>234.11</b>	<b>1,147,421,158</b>	<b>3,762,412,764</b>	<b>2,439,564,383</b>	<b>7,335,407,975</b>
	<b>Total MO HealthNet Transfers</b>	<b>0.00</b>	<b>900,031,664</b>	<b>0</b>	<b>1,009,407,861</b>	<b>1,909,439,525</b>
	<b>Total MO HealthNet Division</b>	<b>234.11</b>	<b>1,388,973,582</b>	<b>3,999,428,758</b>	<b>2,469,853,079</b>	<b>7,845,515,089</b>

2016 Governor Recommendations				
FTE	GR	FF	OF	Total
0.00	0	0	210,950,510	210,950,510
0.00	0	0	0	0
0.00	0	0	210,950,510	210,950,510
0.00	0	0	1,500,000	1,500,000
0.00	0	0	1,500,000	1,500,000
0.00	0	0	311,457,057	311,457,057
	0	0	13,875,469	13,875,469
0.00	0	0	325,332,526	325,332,526
0.00	69,954	54,653,770	0	54,723,724
	180,046	0	0	180,046
0.00	250,000	54,653,770	0	54,903,770
0.00	24,256,396	0	0	24,256,396
0.00	935,407	0	0	935,407
0.00	194,730	0	0	194,730
0.00	25,386,533	0	0	25,386,533
234.11	1,958,535,512	3,715,408,119	3,454,205,553	7,319,644,189
0.00	900,031,664	0	1,009,407,861	1,909,439,525
234.11	1,208,129,344	3,894,894,928	2,552,139,532	7,655,163,804







**NEW DECISION ITEM  
RANK: 6**

Department: Social Services  
Division: MO HealthNet  
DI Name: MO HealthNet Cost to Continue

Budget Unit: 90541C, 90543C, 90544C, 90568C, 90549C, 90567C,  
90561C, 90552C, 90554C, 90569C, 90573C  
DI#: 1886018

**1. AMOUNT OF REQUEST**

	FY 2015 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	88,608,634	93,403,146	14,594,591	196,606,371
TRF				
<b>Total</b>	<b>88,608,634</b>	<b>93,403,146</b>	<b>14,594,591</b>	<b>196,606,371</b>
 FTE				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Nursing Facility Federal Reimbursement Allowance Fund (0196);  
Intergovernmental Transfer Fund (0139)

	FY 2015 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	50,272,699	68,573,473	23,875,469	142,721,641
TRF				
<b>Total</b>	<b>50,272,699</b>	<b>68,573,473</b>	<b>23,875,469</b>	<b>142,721,641</b>
 FTE				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Nursing Facility Federal Reimbursement Allowance Fund (0196);  
Third Party Liability Fund (0120); Intergovernmental Transfer Fund (0139)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input checked="" type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other: Mandatory	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Funds additional anticipated costs for Mo HealthNet programs.*

Funds are requested for estimated costs in the FY 2015 supplemental budget. These amounts are based on FY 2015 Medicaid costs projections, considering actual costs through November 2014. Programs with costs estimated to exceed FY 2015 appropriated amounts include: Pharmacy, Clawback, Physician, PACE, Rehab and Specialty, NEMT, Nursing Facilities, NFRA, Hospitals, Women's Health, DMH IGT and School District Claiming.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The MHD performed detailed projections of all core programs funding. These projections include estimating expenditures for the next fiscal year in order to ensure adequate funding is available. The Medical Rehab portion (\$8,350,259) of the Children's Division Residential Treatment services is requested in MO HealthNet Rehab and Specialty Services. Federal Match rate used is 63.095%.

**Department Request**

**Governor's Recommendation**

	<b>GR</b>	<b>Federal</b>	<b>Other</b>		<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<i>Pharmacy</i>	38,253,188	79,804,166		118,057,354	27,442,498	47,379,591		74,822,089
<i>Clawback</i>	10,211,877			10,211,877	9,780,994			9,780,994
<i>Physicians</i>	16,388,083			16,388,083	0			0
<i>Pace</i>	64,430	22,959		87,389	81,086	53,253		134,339
<i>Nursing Facilities</i>	11,257,514	8,307,425		19,564,939	6,123,464	20,813,926	4,400,000	31,337,390
<i>Nursing Facilities FRA</i>			8,994,591	8,994,591			13,875,469	13,875,469
<i>Rehab &amp; Specialty Services</i>	5,076,688	5,268,596		10,345,284	783,019			783,019
<i>NEMT</i>	532,564			532,564	714,142	326,703		1,040,845
<i>Hospital</i>	6,775,256			6,775,256	5,167,450			5,167,450
<i>Women's Health</i>	49,034			49,034				0
<i>DMH IGT</i>			5,600,000	5,600,000			5,600,000	5,600,000
<i>School District Claiming</i>					180,046			180,046
<i>Subtotal</i>	88,608,634	93,403,146	14,594,591	196,606,371	50,272,699	68,573,473	23,875,469	142,721,641

The Governor recommended reduced overall need based on updated shortfall projections through November 2014, and offset the GR cost with core reallocations from sections with projected lapse, release of reserve and utilization of one time fund balances of other funds.

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
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**Total PS** 0 0.0 0 0.0 0 0.0 0 0.0 0

**Total EE** 0 0 0 0 0 0 0 0 0

Program Distributions 0  
**Total PSD** 88,608,634 93,403,146 - 14,594,591 196,606,371 0

Transfers  
**Total TRF** 0 0 0 0 0 0 0 0

**Grand Total** 88,608,634 0.0 93,403,146 0.0 14,594,591 0.0 196,606,371 0.0 0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
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**Total PS** 0 0.0 0 0.0 0 0.0 0 0.0 0

**Total EE** 0 0 0 0 0 0 0 0 0

Program Distributions 50,272,699 68,573,473 23,875,469 142,721,641  
**Total PSD** 50,272,699 68,573,473 23,875,469 142,721,641 0

Transfers  
**Total TRF** 0 0 0 0 0 0 0 0

**Grand Total** 50,272,699 0.0 68,573,473 0.0 23,875,469 0.0 142,721,641 0.0 0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**  
N/A

**6b. Provide an efficiency measure.**  
N/A

**6c. Provide the number of clients/individuals served, if applicable.**  
N/A

**6d. Provide a customer satisfaction measure, if available.**  
N/A

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY</b>								
<b>Medicaid CTC - 1886018</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	118,057,354	0.00	74,822,089	0.00
TOTAL - PD	0	0.00	0	0.00	118,057,354	0.00	74,822,089	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$118,057,354</b>	<b>0.00</b>	<b>\$74,822,089</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$38,253,188	0.00	\$27,442,498	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$79,804,166	0.00	\$47,379,591	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY-MED PART D-CLAWBACK</b>								
<b>Medicaid CTC - 1886018</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	10,211,877	0.00	9,780,994	0.00
TOTAL - PD	0	0.00	0	0.00	10,211,877	0.00	9,780,994	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$10,211,877</b>	<b>0.00</b>	<b>\$9,780,994</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$10,211,877	0.00	\$9,780,994	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHYSICIAN RELATED PROF</b>								
<b>Medicaid CTC - 1886018</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	16,388,083	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	16,388,083	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$16,388,083</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$16,388,083	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITIES</b>								
<b>Medicaid CTC - 1886018</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	19,564,939	0.00	31,337,390	0.00
TOTAL - PD	0	0.00	0	0.00	19,564,939	0.00	31,337,390	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$19,564,939</b>	<b>0.00</b>	<b>\$31,337,390</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$11,257,514</b>	<b>0.00</b>	<b>\$6,123,464</b>	<b>0.00</b>
<b>FEDERAL FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$8,307,425</b>	<b>0.00</b>	<b>\$20,813,926</b>	<b>0.00</b>
<b>OTHER FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$4,400,000</b>	<b>0.00</b>

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PACE</b>								
<b>Medicaid CTC - 1886018</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	87,389	0.00	134,339	0.00
TOTAL - PD	0	0.00	0	0.00	87,389	0.00	134,339	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$87,389</b>	<b>0.00</b>	<b>\$134,339</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$64,430	0.00	\$81,086	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$22,959	0.00	\$53,253	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
<b>Medicaid CTC - 1886018</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	10,345,284	0.00	783,019	0.00
TOTAL - PD	0	0.00	0	0.00	10,345,284	0.00	783,019	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$10,345,284</b>	<b>0.00</b>	<b>\$783,019</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$5,076,688	0.00	\$783,019	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$5,268,596	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NON-EMERGENCY TRANSPORT</b>								
<b>Medicaid CTC - 1886018</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	532,564	0.00	1,040,845	0.00
TOTAL - PD	0	0.00	0	0.00	532,564	0.00	1,040,845	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$532,564</b>	<b>0.00</b>	<b>\$1,040,845</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$532,564	0.00	\$714,142	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$326,703	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOSPITAL CARE</b>								
<b>Medicaid CTC - 1886018</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	6,775,256	0.00	5,167,450	0.00
TOTAL - PD	0	0.00	0	0.00	6,775,256	0.00	5,167,450	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$6,775,256</b>	<b>0.00</b>	<b>\$5,167,450</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$6,775,256	0.00	\$5,167,450	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>IGT DMH MEDICAID PROGRAM</b>								
<b>Medicaid CTC - 1886018</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	5,600,000	0.00	5,600,000	0.00
TOTAL - PD	0	0.00	0	0.00	5,600,000	0.00	5,600,000	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$5,600,000</b>	<b>0.00</b>	<b>\$5,600,000</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$5,600,000	0.00	\$5,600,000	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN'S HEALTH SRVC</b>								
<b>Medicaid CTC - 1886018</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	49,034	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	49,034	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$49,034</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$49,034	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITY FED REIMB AL</b>								
<b>Medicaid CTC - 1886018</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	8,994,591	0.00	13,875,469	0.00
TOTAL - PD	0	0.00	0	0.00	8,994,591	0.00	13,875,469	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$8,994,591</b>	<b>0.00</b>	<b>\$13,875,469</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$8,994,591	0.00	\$13,875,469	0.00

**DECISION ITEM DETAIL**

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>SCHOOL DISTRICT CLAIMING</b>								
<b>Medicaid CTC - 1886018</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	180,046	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	180,046	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$180,046</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$180,046	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



**NEW DECISION ITEM  
RANK: 7**

Department: Social Services  
Division: MO HealthNet  
DI Name: GR Pickup

Budget Unit: 90541C, 90538C

DI#: 18860017

**1. AMOUNT OF REQUEST**

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	81,711,963			81,711,963
TRF				
Total	<u>81,711,963</u>	<u>0</u>	<u>0</u>	<u>81,711,963</u>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	14,411,963		17,300,000	31,711,963
TRF				
Total	<u>14,411,963</u>	<u>0</u>	<u>17,300,000</u>	<u>31,711,963</u>

FTE

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input checked="" type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other: Inflation/Utilization	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

**NDI SYNOPSIS:** This general revenue funding is requested to correct the funding in Pharmacy.

This decision item seeks general revenue to sufficiently fund the Pharmacy and MoRX programs due to a cash shortfall. The MoRX program is not a mandatory program and is subject to appropriations. The Pharmacy program is mandated for children if medically necessary health services are identified under the EPSDT program; however it is not required for adults.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

This decision item requests general revenue funding to correct the funding in Pharmacy. The insufficient funds are: Life Sciences - \$12.5 m, Healthy Families Trust Fund - \$37.5 m, Surplus Revenue Fund - \$10.0 m. The Pharmacy FRA revenues have not been sufficient to cover projected expenses for some time. In FY 16 a core cut of \$16,150,000 was taken due to the shortfall within the fund. However, the need remains in the Pharmacy Program. The MoRX Plan fund is not projected to have sufficient revenues to fund the MoRX Program. General revenue is requested for this shortfall of \$5.6 million.

Pharmacy Need		Governor's Recommendation	
Life Sciences Fund	\$12,500,000	Pharmacy GR	\$8,850,000
Healthy Families Trust Fund	\$37,500,000	Pharmacy PFRA	\$7,300,000
Surplus Revenue Fund	\$10,000,000	Pharmacy Rebates	\$10,000,000
Pharmacy FRA	\$16,150,000		
Subtotal	\$76,150,000	Subtotal	\$26,150,000
MO Rx Need		MO Rx	\$5,561,963
MO RX Fund	\$5,561,963	Total	\$31,711,963
Total GR Pick up need	\$81,711,963		

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	81,711,963		0		0		81,711,963		
Total PSD	81,711,963		0		0		81,711,963		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	81,711,963	0.0	0	0.0	0	0.0	81,711,963	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
<b>Total PS</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>
<b>Total EE</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
Program Distributions	14,411,963				17,300,000				
<b>Total PSD</b>	<b>14,411,963</b>		<b>0</b>		<b>17,300,000</b>		<b>0</b>		<b>0</b>
Transfers									
<b>Total TRF</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>Grand Total</b>	<b>14,411,963</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>17,300,000</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

Measures are included in core programs for which GR Pickup is requested.

**6b. Provide an efficiency measure.**

Measures are included in core programs for which GR Pickup is requested.

**6c. Provide the number of clients/individuals served, if applicable.**

Measures are included in core programs for which GR Pickup is requested.

**6d. Provide a customer satisfaction measure, if available.**

Measures are included in core programs for which GR Pickup is requested.

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY</b>								
<b>MHD GR Pickup - 1886017</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	76,150,000	0.00	26,150,000	0.00
TOTAL - PD	0	0.00	0	0.00	76,150,000	0.00	26,150,000	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$76,150,000</b>	<b>0.00</b>	<b>\$26,150,000</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$76,150,000	0.00	\$8,850,000	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$17,300,000	0.00



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MISSOURI RX PLAN</b>								
<b>MHD GR Pickup - 1886017</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	5,561,963	0.00	5,561,963	0.00
TOTAL - PD	0	0.00	0	0.00	5,561,963	0.00	5,561,963	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$5,561,963</b>	<b>0.00</b>	<b>\$5,561,963</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$5,561,963	0.00	\$5,561,963	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



**NEW DECISION ITEM  
RANK: 8**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: HIF GR Pickup**

**Budget Unit: 90552C,90556C**

**DI#: 1886019**

**1. AMOUNT OF REQUEST**

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	9,987,515			9,987,515
TRF				
<b>Total</b>	<b>9,987,515</b>			<b>9,987,515</b>
<b>FTE</b>				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	4,286,941			4,286,941
TRF				
<b>Total</b>	<b>4,286,941</b>	<b>0</b>	<b>0</b>	<b>4,286,941</b>
<b>FTE</b>				

<b>Est. Fringe</b>				
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input checked="" type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other: Mandatory	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

Due to a shortage in revenue in the Health Initiatives Fund fund, MO HealthNet is requesting General Revenue. The Cigarette tax that supports the fund is expected to decline 5% during FY 2015 and an additional decline of 1% is expected during FY 2016. This cash shortfall will create a shortage in the Hospital Care and CHIP Appropriation.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Due to a shortage in revenue in the Health Initiatives Fund fund, MO HealthNet is requesting General Revenue. The Cigarette tax that supports the fund is expected to decline 5% during FY 2015 and an additional decline of 1% is expected during FY 2016. This cash shortfall will create a need of \$9,987,515.

**FY2016**

<b>Projected Revenue</b>	35,696,450
<b>Projected Expenditures</b>	40,953,715
<b>FY2016 Shortfall</b>	(5,257,265)
<b>FY2015 Shortfall</b>	(4,730,250)
<b>Total GR Pick Up</b>	(9,987,515)

Governor's recommendations based on updated revenue projections and estimated available fund balance for FY 2016.

**GR Pick Up for HIF**

Hospital Care	\$9,171,007
CHIP	\$816,508

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
<b>Total PS</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>
<b>Total EE</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
Program Distributions	9,987,515						9,987,515		
<b>Total PSD</b>	<b>9,987,515</b>		<b>0</b>		<b>0</b>		<b>9,987,515</b>		<b>0</b>
Transfers									
<b>Total TRF</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>Grand Total</b>	<b>9,987,515</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>9,987,515</b>	<b>0.0</b>	<b>0</b>

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	4,286,941						4,286,941		
Total PSD	4,286,941		0		0		4,286,941		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	4,286,941	0.0	0	0.0	0	0.0	4,286,941	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

Since this decision item is a combined funding request for the continued funding of several programs, measures are incorporated in the individual program descriptions.

**6c. Provide the number of clients/individuals**

Since this decision item is a combined funding request for the continued funding of several programs, measures are incorporated in the individual program descriptions.

**6b. Provide an efficiency measure.**

Since this decision item is a combined funding request for the continued funding of several programs, measures are incorporated in the individual program descriptions.

**6d. Provide a customer satisfaction measure, if available.**

Since this decision item is a combined funding request for the continued funding of several programs, measures are incorporated in the individual program descriptions.

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOSPITAL CARE</b>								
HIF GR Pickup - 1886019								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	9,171,007	0.00	4,286,941	0.00
TOTAL - PD	0	0.00	0	0.00	9,171,007	0.00	4,286,941	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$9,171,007</b>	<b>0.00</b>	<b>\$4,286,941</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$9,171,007	0.00	\$4,286,941	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CHILDREN'S HEALTH INS PROGRAM</b>								
HIF GR Pickup - 1886019								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	816,508	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	816,508	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$816,508</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$816,508	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00





**NEW DECISION ITEM  
RANK: 9**

**Department:** Social Services  
**Division:** MO HealthNet  
**DI Name:** Pharmacy PMPM Increase-Specialty

**Budget Unit:** 90541C, 90554C, 90556C, 90573C

**DI#:** 18860016

**1. AMOUNT OF REQUEST**

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	26,087,148	64,003,309	10,476,407	100,566,864
TRF				
<b>Total</b>	<b>26,087,148</b>	<b>64,003,309</b>	<b>10,476,407</b>	<b>100,566,864</b>

**FTE** 0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	19,590,486	57,817,996	13,407,710	90,816,192
TRF				
<b>Total</b>	<b>19,590,486</b>	<b>57,817,996</b>	<b>13,407,710</b>	<b>90,816,192</b>

**FTE**

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Pharmacy Rebates (0114)

Other Funds: Pharmacy Rebates (0114)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Inflation/Utilization	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

This decision item requests funding for the ongoing inflation of pharmaceuticals and the anticipated increase in pharmacy expenditures due to increased utilization, of specialty drugs. Specialty drugs account for the majority of the projected increase in pharmacy expenditures. Specialty drugs treat complex chronic and/or life threatening conditions. Specialty drugs are often the first effective treatment of a condition. Many specialty products face little market competition and target a small patient population, thus they have a high cost per unit. There are few generics among specialty drugs. Typically, specialty drugs require special storage, handling and administration. Additionally, there is generally pent up demand for a specialty drug, making the first few years of use very expensive.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Specialty drugs account for the majority of the projected increase in pharmacy expenditures. Specialty drugs treat complex chronic and/or life threatening conditions. Specialty drugs are often the first effective treatment of a condition. Many specialty products face little market competition and target a small patient population, thus they have a high cost per unit. There are few generics among specialty drugs. Typically, specialty drugs require special storage, handling and administration. Additionally, there is generally pent up demand for a specialty drug, making the first few years of use very expensive.

The percent of specialty in the commercial market has increased from 17.6% in 2011 to 27.7% in 2013. The percent of specialty is expected to grow to 50% in the commercial market by 2019 or 2020. The percent of specialty in the MHD expenditure has been 38.6% for FY13 and FY14, but is expected to grow to 46% in FY16. The difference in the specialty rates between MHD and the commercial market is due to the MHD caseload mix.

An example of a specialty drug is the new Hepatitis C drug - Solvadi. This drug has accounted for over \$30 m in expenditures since January 2014. Additional Hepatitis C drugs are scheduled to be available around January 2015. According to industry sources, the per member per year (PMPY) increase for Hepatitis C drugs is anticipated to increase by 102% in 2014, 208.8% in 2015, and 205% in 2016.

The Pharmacy PMPM NDI is broken down into two components: Specialty and Non Specialty. Two industry sources, the Express Scripts (ESI) Trend Report and the CVS Caremark Insights Report, were used to project MO HealthNet pharmacy costs. These sources project the following trend for 2016 Specialty PMPM:

Specialty  
17.55%

**FY16 Pharmacy PMPM Calculations**

	<u>OAA Specialty</u>	<u>PTD Specialty</u>	<u>Others Specialty</u>	<u>Total</u>
FY14 PMPM	\$260.99	\$569.89	\$58.83	
Non Specialty/Specialty Rate	46.00%	46.00%	46.00%	
Subtotal	\$120.06	\$262.15	\$27.06	
PMPM Trend Rate	17.55%	17.55%	17.55%	
Increase in PMPM	\$21.07	\$46.01	\$4.75	
FY15 PMPM Estimate	\$141.13	\$308.16	\$31.81	
PMPM Trend Rate	17.55%	17.55%	17.55%	
FY16 Estimate	\$24.77	\$54.08	\$5.58	
Members	9,210	85,952	627,985	
Monthly Cost	\$228,132	\$4,648,284	\$3,504,156	
12 Months	12	12	12	
Yearly Cost	\$2,737,584	\$55,779,408	\$42,049,872	\$100,566,864

**FY16 Governor's Recommendation - Revised PMPM Calculations**

	<u>OAA Specialty</u>	<u>PTD Specialty</u>	<u>Others Specialty</u>	<u>Total</u>
FY14 PMPM	\$260.99	\$569.89	\$58.83	
Non Specialty/Specialty Rate	46.00%	46.00%	46.00%	
Subtotal	\$120.06	\$262.15	\$27.06	
PMPM Trend Rate	16.05%	16.05%	16.05%	
Increase in PMPM	\$19.27	\$42.08	\$4.34	
FY15 Estimate	\$139.33	\$304.23	\$31.40	
PMPM Trend Rate	16.05%	16.05%	16.05%	
FY16 Estimate	\$22.36	\$48.83	\$5.04	
Members	9,210	85,952	627,985	
Monthly Cost	\$205,936	\$4,197,036	\$3,165,044	
12 Months	12	12	12	
Yearly Cost	\$2,471,232	\$50,364,432	\$37,980,528	\$90,816,192

	Dept. Request					Governor's Recommendation			
	FMAPs	Total	GR	Rebates	FF	Total	GR	Rebates	FF
Blind Medical (1.07%)		\$1,035,839	\$1,035,839		\$0	\$935,407	\$935,407		\$0
1115 Waiver -Child (4.96%)	74.170%	\$4,877,493	\$1,259,857		\$3,617,636	\$4,404,585	\$1,117,443		\$3,287,142
Women's Health Services (.48%)	90.000%	\$140,794	\$14,080		\$126,714	\$127,143	\$12,714		\$114,429
Pharmacy	63.7575%	\$94,512,738	\$23,777,372	\$10,476,407	\$60,258,959	\$85,349,057	\$17,524,922	\$13,407,710	\$54,416,425
		\$100,566,864	\$26,087,148	\$10,476,407	\$64,003,309	\$90,816,192	\$19,590,486	\$13,407,710	\$57,817,996

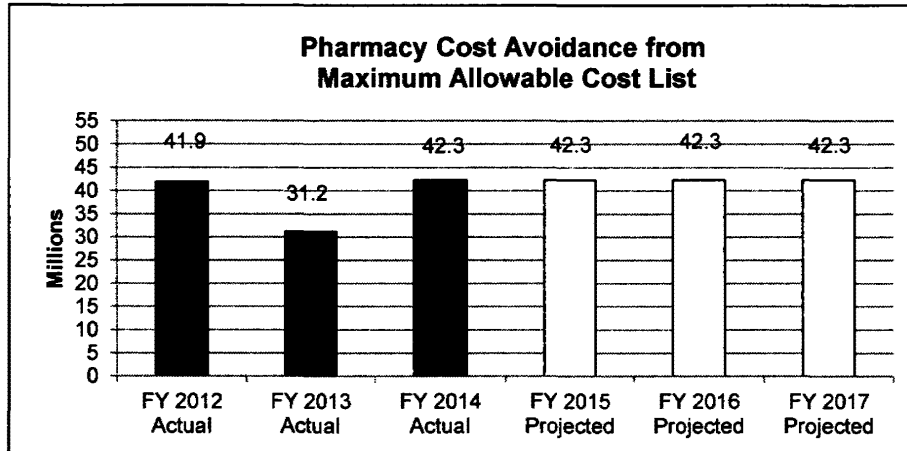
**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
<b>Total PS</b>	0	0.0	0	0.0	0	0.0	0	0.0	0
<b>Total EE</b>	0		0		0		0		0
Program Distributions	26,087,148		64,003,309		10,476,407		100,566,864		
<b>Total PSD</b>	<b>26,087,148</b>		<b>64,003,309</b>		<b>10,476,407</b>		<b>100,566,864</b>		<b>0</b>
Transfers									
<b>Total TRF</b>	0		0		0		0		0
<b>Grand Total</b>	<b>26,087,148</b>	<b>0.0</b>	<b>64,003,309</b>	<b>0.0</b>	<b>10,476,407</b>	<b>0.0</b>	<b>100,566,864</b>	<b>0.0</b>	<b>0</b>

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One- Time
<b>Total PS</b>	0	0.0	0	0.0	0	0.0	0	0.0	0
<b>Total EE</b>	0		0		0		0		0
Program Distributions	19,590,486		57,817,996		13,407,710		90,816,192		
<b>Total PSD</b>	<b>19,590,486</b>		<b>57,817,996</b>		<b>13,407,710</b>		<b>90,816,192</b>		<b>0</b>
Transfers									
<b>Total TRF</b>	0		0		0		0		0
<b>Grand Total</b>	<b>19,590,486</b>	<b>0.0</b>	<b>57,817,996</b>	<b>0.0</b>	<b>13,407,710</b>	<b>0.0</b>	<b>90,816,192</b>	<b>0.0</b>	<b>0</b>

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

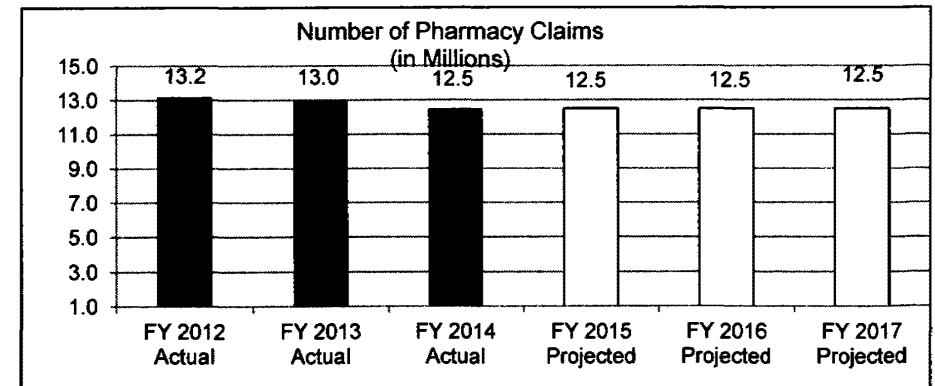
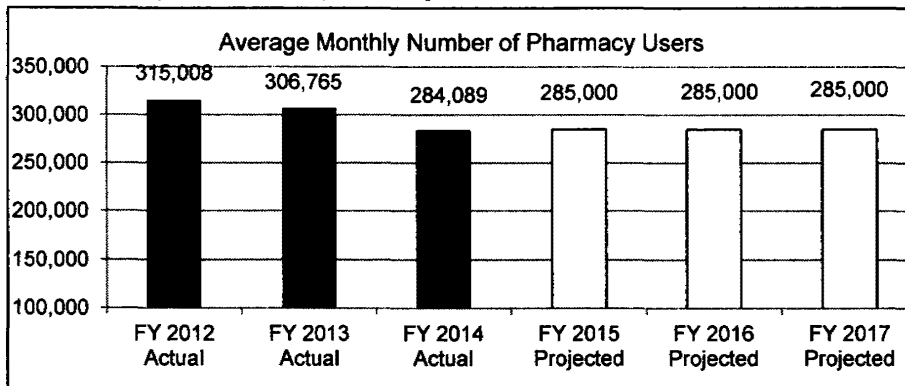


**6b. Provide an efficiency measure.**

N/A

**6c. Provide the number of clients/individuals served, if applicable.**

Pharmacy services are available to all MO HealthNet participants. Pharmacy services for both fee-for-service and managed care are paid from the pharmacy section



**6d. Provide a customer satisfaction measure, if available.**

N/A

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY</b>								
Pharmacy PMPM-Specialty - 1886016								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	94,512,738	0.00	85,349,057	0.00
TOTAL - PD	0	0.00	0	0.00	94,512,738	0.00	85,349,057	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$94,512,738</b>	<b>0.00</b>	<b>\$85,349,057</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$23,777,372	0.00	\$17,524,922	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$60,258,959	0.00	\$54,416,425	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$10,476,407	0.00	\$13,407,710	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN'S HEALTH SRVC</b>								
<b>Pharmacy PMPM-Specialty - 1886016</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	140,794	0.00	127,143	0.00
TOTAL - PD	0	0.00	0	0.00	140,794	0.00	127,143	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$140,794</b>	<b>0.00</b>	<b>\$127,143</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$14,080</b>	<b>0.00</b>	<b>\$12,714</b>	<b>0.00</b>
<b>FEDERAL FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$126,714</b>	<b>0.00</b>	<b>\$114,429</b>	<b>0.00</b>
<b>OTHER FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CHILDREN'S HEALTH INS PROGRAM</b>								
<b>Pharmacy PMPM-Specialty - 1886016</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,877,493	0.00	4,404,585	0.00
TOTAL - PD	0	0.00	0	0.00	4,877,493	0.00	4,404,585	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$4,877,493</b>	<b>0.00</b>	<b>\$4,404,585</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,259,857</b>	<b>0.00</b>	<b>\$1,117,443</b>	<b>0.00</b>
<b>FEDERAL FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$3,617,636</b>	<b>0.00</b>	<b>\$3,287,142</b>	<b>0.00</b>
<b>OTHER FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>BLIND PENSION MEDICAL BENEFITS</b>								
<b>Pharmacy PMPM-Specialty - 1886016</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,035,839	0.00	935,407	0.00
TOTAL - PD	0	0.00	0	0.00	1,035,839	0.00	935,407	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,035,839</b>	<b>0.00</b>	<b>\$935,407</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,035,839	0.00	\$935,407	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00





**NEW DECISION ITEM  
RANK: 10**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: Pharmacy PMPM Increase-Non Specialty**

**Budget Unit: 90541C, 90554C, 90556C, 90573C**

**DI#: 1886025**

**1. AMOUNT OF REQUEST**

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	7,299,193	17,908,149	2,931,302	28,138,644
TRF				
<b>Total</b>	<b>7,299,193</b>	<b>17,908,149</b>	<b>2,931,302</b>	<b>28,138,644</b>
<b>FTE</b>				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Pharmacy Rebates Fund (0114)

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	6,869,449	12,036,347		18,905,796
TRF				
<b>Total</b>	<b>6,869,449</b>	<b>12,036,347</b>	<b>0</b>	<b>18,905,796</b>
<b>FTE</b>				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Inflation/Utilization	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Funds are needed to address the anticipated increases in the pharmacy program due to new drugs, therapies and inflation.*

This decision item requests funding for the ongoing inflation of pharmaceuticals and the anticipated increase in pharmacy expenditures due to increased utilization, for Non-Specialty drugs.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The Pharmacy PMPM NDI is broken down into two components: Specialty and Non Specialty. Two industry sources, the Express Scripts (ESI) Trend Report and the CVS Caremark Insights Report, were used to project MO HealthNet pharmacy costs. These sources project the following trend for 2016 Non-Specialty Pharmacy PMPM:

	Non Specialty 4.70%							
<b>FY16 Pharmacy PMPM Calculations for Non-Specialty</b>	<b>OAA</b>	<b>PTD</b>	<b>Others</b>		<b>OAA</b>	<b>PTD</b>	<b>Others</b>	
	<b>Non</b>				<b>Non</b>			
	<b>Specialty</b>	<b>Non Specialty</b>	<b>Non Specialty</b>	<b>Total</b>	<b>Specialty</b>	<b>Specialty</b>	<b>Non Specialty</b>	<b>Total</b>
FY14 PMPM	\$260.99	\$569.89	\$58.83		\$260.99	\$569.89	\$58.83	
Non Specialty/Specialty Rate	54.00%	54.00%	54.00%		54.00%	54.00%	54.00%	
Subtotal	\$140.94	\$307.74	\$31.77		\$140.94	\$307.74	\$31.77	
PMPM Trend Rate	4.70%	4.70%	4.70%		3.20%	3.20%	3.20%	
Increase in PMPM	\$6.62	\$14.46	\$1.49		\$4.51	\$9.85	\$1.02	
FY15 PMPM Estimate	\$147.56	\$322.20	\$33.26		\$145.45	\$317.59	\$32.79	
PMPM Trend Rate	4.70%	4.70%	4.70%		3.20%	3.20%	3.20%	
FY16 Estimate	\$6.94	\$15.14	\$1.56		\$4.65	\$10.16	\$1.05	
Members	9,210	85,952	627,985		9,210	85,952	627,985	
Monthly Cost	\$63,917	\$1,301,313	\$979,657		\$42,827	\$873,272	\$659,384	
12 Months	12	12	12		12	12	12	
Yearly Cost	\$767,004	\$15,615,756	\$11,755,884	\$28,138,644	\$513,924	\$10,479,264	\$7,912,608	\$18,905,796

**Department Request**

	FMAPs	Total	GR	Rebates	FF
Blind Medical (1.07%)		\$289,828	\$289,828		\$0
1115 Waiver -Child (4.96%)	74.170%	\$1,364,724	\$352,508		\$1,012,216
Women's Health Services (.48%)	90.000%	\$39,394	\$3,939		\$35,455
Pharmacy	63.7575%	\$26,444,698	\$6,652,918	\$2,931,302	\$16,860,478
		\$28,138,644	\$7,299,193	\$2,931,302	\$17,908,149

**Governor's Recommendation**

	FMAPs	Total	GR	Rebates	FF
Blind Medical (1.07%)		\$194,730	\$194,730		\$0
1115 Waiver -Child (4.96%)	74.170%	\$916,931	\$232,625		\$684,306
Women's Health Services (.48%)	90.000%	\$26,468	\$2,647		\$23,821
Pharmacy	63.7575%	\$17,767,667	\$6,439,447	\$0	\$11,328,220
		\$18,905,796	\$6,869,449	\$0	\$12,036,347

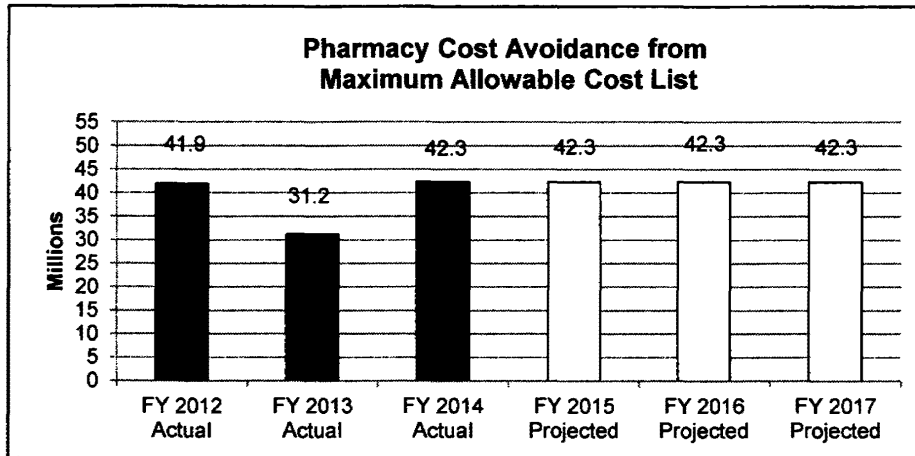
**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
<b>Total PS</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>
<b>Total EE</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
Program Distributions	7,299,193		17,908,149		2,931,302		28,138,644		
<b>Total PSD</b>	<b>7,299,193</b>		<b>17,908,149</b>		<b>2,931,302</b>		<b>28,138,644</b>		<b>0</b>
Transfers									
<b>Total TRF</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>Grand Total</b>	<b>7,299,193</b>	<b>0.0</b>	<b>17,908,149</b>	<b>0.0</b>	<b>2,931,302</b>	<b>0.0</b>	<b>28,138,644</b>	<b>0.0</b>	<b>0</b>

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
<b>Total PS</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>
<b>Total EE</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
Program Distributions	6,869,449		12,036,347				18,905,796		
<b>Total PSD</b>	<b>6,869,449</b>		<b>12,036,347</b>		<b>0</b>		<b>18,905,796</b>		<b>0</b>
Transfers									
<b>Total TRF</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>Grand Total</b>	<b>6,869,449</b>	<b>0.0</b>	<b>12,036,347</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>18,905,796</b>	<b>0.0</b>	<b>0</b>

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

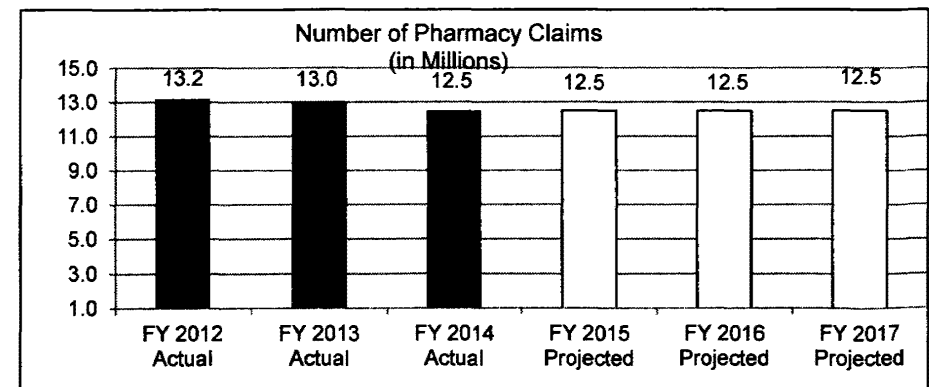
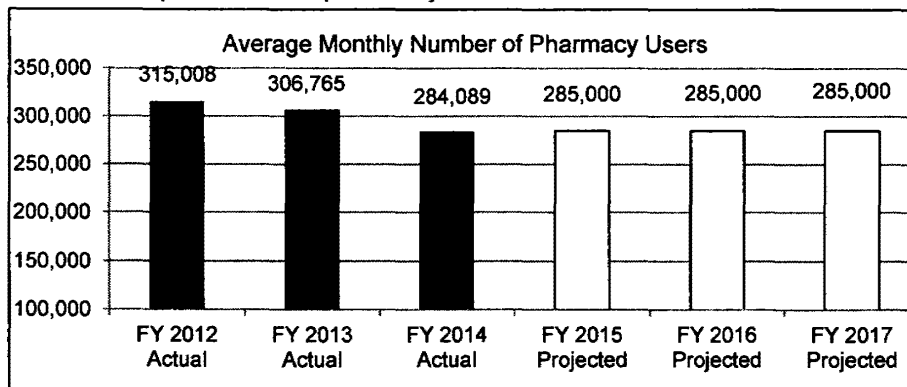


**6b. Provide an efficiency measure.**

N/A

**6c. Provide the number of clients/individuals served, if applicable.**

Pharmacy services are available to all MO HealthNet participants. Pharmacy services for both fee-for-service and managed care are paid from the pharmacy section



**6d. Provide a customer satisfaction measure, if available.**

N/A

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY</b>								
Pharmacy PMPM-Non Specialty - 1886025								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	26,444,698	0.00	17,767,667	0.00
TOTAL - PD	0	0.00	0	0.00	26,444,698	0.00	17,767,667	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$26,444,698</b>	<b>0.00</b>	<b>\$17,767,667</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$6,652,918	0.00	\$6,439,447	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$16,860,478	0.00	\$11,328,220	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$2,931,302	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN'S HEALTH SRVC</b>								
<b>Pharmacy PMPM-Non Specialty - 1886025</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	39,394	0.00	26,468	0.00
TOTAL - PD	0	0.00	0	0.00	39,394	0.00	26,468	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$39,394</b>	<b>0.00</b>	<b>\$26,468</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$3,939	0.00	\$2,647	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$35,455	0.00	\$23,821	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CHILDREN'S HEALTH INS PROGRAM</b>								
<b>Pharmacy PMPM-Non Specialty - 1886025</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,364,724	0.00	916,931	0.00
TOTAL - PD	0	0.00	0	0.00	1,364,724	0.00	916,931	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,364,724</b>	<b>0.00</b>	<b>\$916,931</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$352,508</b>	<b>0.00</b>	<b>\$232,625</b>	<b>0.00</b>
<b>FEDERAL FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,012,216</b>	<b>0.00</b>	<b>\$684,306</b>	<b>0.00</b>
<b>OTHER FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>BLIND PENSION MEDICAL BENEFITS</b>								
<b>Pharmacy PMPM-Non Specialty - 1886025</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	289,828	0.00	194,730	0.00
TOTAL - PD	0	0.00	0	0.00	289,828	0.00	194,730	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$289,828</b>	<b>0.00</b>	<b>\$194,730</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$289,828	0.00	\$194,730	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

**Managed Care Acturial  
Increase**

**NEW DECISION ITEM  
RANK: 11**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: Managed Care Actuarial Increase**

**Budget Unit: 90551C,90556C**

**DI#: 1886010**

**1. AMOUNT OF REQUEST**

FY 2015 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	24,282,923	42,772,712		67,055,635
TRF				
<b>Total</b>	<b>24,282,923</b>	<b>42,772,712</b>	<b>0</b>	<b>67,055,635</b>
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>Est. Fr</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

FY 2015 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	0	13,125,652		13,125,652
TRF				
<b>Total</b>	<b>0</b>	<b>13,125,652</b>	<b>0</b>	<b>13,125,652</b>
<b>FTE</b>				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input checked="" type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Actuarial Increase	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Funding is needed to fund an increase for Managed Care medical, delivery and Neonatal Intensive Care Unit services to ensure that managed care payments are actuarially sound. Funding is for the Eastern, Central and Western regions for July 2015 through June 2016.*

MO HealthNet needs to maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. The Federal Authority is Social Security Act Section 1915(b) and 1115 Waiver. The Federal Regulation is 42 CFR 438-Managed Care, and the State Authority is 208.166 RSMo. Final rules and regulations published June 14, 2002, effective August 13, 2003, require that capitation payments made on behalf of managed care participants be actuarially sound. Further, the state must provide the actuarial certification of the capitation rates to the CMS. The CMS Regional Office must review and approve all contracts for managed care as a condition for federal financial participation.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The chart below indicates the projected need for all medical services as well as the normal births of children and Neonatal Intensive Care Unit (NICU) care for newborns in need of specialized care. Pharmacy benefits were carved out of Managed Care beginning October 1, 2009 therefore participants receive their pharmacy benefits through the fee-for-service program. The managed care trend factor need is calculated by region and is based on the number of months in the contract period that fall in FY 2016. Three efficiency adjustments were made in SFY 2011: Low-Acuity Non-Emergency (LANE), Potentially Preventable Hospital Admissions (PPA), and Risk Adjusted Efficiency (RAE). The total cost is estimated at \$72,736,257 as follows:

\* The Governor's Recommendation utilized projected GR lapse in the managed care program to fund the GR portion of the cost.

Program	Region	FY15	FY16	Difference	Participants	Contract Months in FY16	Total
Medical-Managed Care	Eastern	\$207.15	\$225.19	\$18.04	181,349	12	\$39,258,432
Medical-Managed Care	Central	\$220.80	\$235.36	\$14.56	67,644	12	\$11,818,760
Medical-Managed Care	Western	\$238.98	\$248.67	\$9.69	115,935	12	\$13,480,922
<i>subtotal Managed Care</i>							\$64,558,114
Medical TIXXI CHIP-Child	Eastern	\$140.33	\$162.78	\$22.45	18,754	12	\$5,052,328
Medical TIXXI CHIP-Child	Central	\$143.51	\$160.30	\$16.79	9,630	12	\$1,940,252
Medical TIXXI CHIP-Child	Western	\$163.75	\$178.49	\$14.74	13,399	12	\$2,370,015
<i>subtotal TIXXI CHIP Children</i>							\$9,362,595
<b>Total Need Medical Trend</b>							<b>\$73,920,709</b>
Deliveries-Managed Care and CHIP	Eastern	\$5,544.71	\$5,417.18	-\$127.53	824	12	-\$1,261,017
Deliveries-Managed Care and CHIP	Central	\$4,492.79	\$4,407.43	-\$85.36	350	12	-\$358,512
Deliveries-Managed Care and CHIP	Western	\$4,591.89	\$4,477.09	-\$114.80	578	12	-\$796,253
<i>subtotal Managed Care and CHIP Deliveries</i>							-\$2,415,782
<b>Total Need Deliveries Trend</b>							<b>-\$2,415,782</b>
NICU-Managed Care and CHIP	Eastern	\$193,186.80	\$203,232.51	\$10,045.71	14	12	\$1,687,679
NICU-Managed Care and CHIP	Central	\$184,707.55	\$175,472.17	-\$9,235.38	4	12	-\$443,298
NICU-Managed Care and CHIP	Western	\$181,255.20	\$181,073.94	-\$181.26	6	12	-\$13,051
<i>subtotal Managed Care and CHIP Deliveries</i>							\$1,231,330
<b>Total Need NICU Trend</b>							<b>\$1,231,330</b>

\*The Governor's recommendation funded the federal portion of the request only and utilized projected GR lapse to fund the state share portion.

	Total	GR	Federal
Managed Care	\$17,631,450	\$6,444,295	\$11,187,155
CHIP	\$2,604,807	\$666,310	\$1,938,497
	\$20,236,257	\$7,110,605	\$13,125,652

**Total Need Medical, Deliveries and NICU** **\$72,736,257**  
**Reallocation from FQHC/RHC interim payments included in Capitation rates**  
 Less Reallocation to MC from Physicians **\$45,742,212**  
 Less Reallocation to CHIP from Physicians **\$6,757,788**  
**\$20,236,257**

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

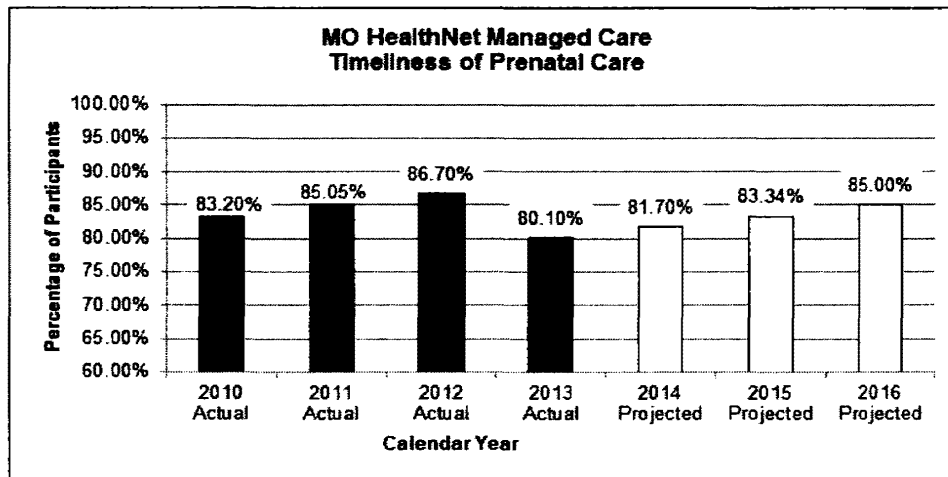
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	23,866,433		43,189,202				67,055,635		
Total PSD	23,866,433		43,189,202		0		67,055,635		0
Transfers							0		
Total TRF	0		0		0		0		0
Grand Total	23,866,433	0.0	43,189,202	0.0	0	0.0	67,055,635	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions			13,125,652				13,125,652		
Total PSD	0		13,125,652		0		13,125,652		0
Transfers							0		
Total TRF	0		0		0		0		0
Grand Total	0	0.0	13,125,652	0.0	0	0.0	13,125,652	0.0	0

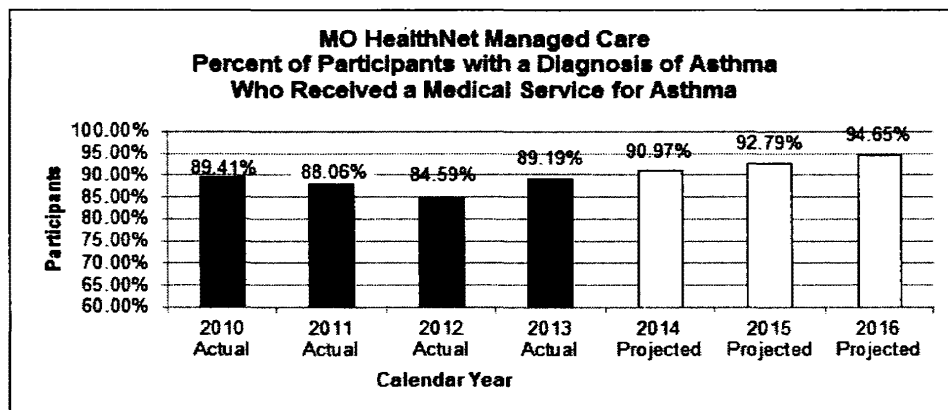
**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

Prenatal care is important for monitoring the progress of pregnancy and to identify risk factors for the mother or baby before they become serious and lead to poor outcomes and more expensive health care costs. The diagnosis and treatment of chronic conditions also reduces more expensive health care costs that could result when conditions are left untreated.



**Effectiveness Measure 1:** Increase the percentage of women receiving prenatal care. The percentage of women who received prenatal care within the first trimester or within 42 days of enrollment in a health plan was 86.70% in 2012.

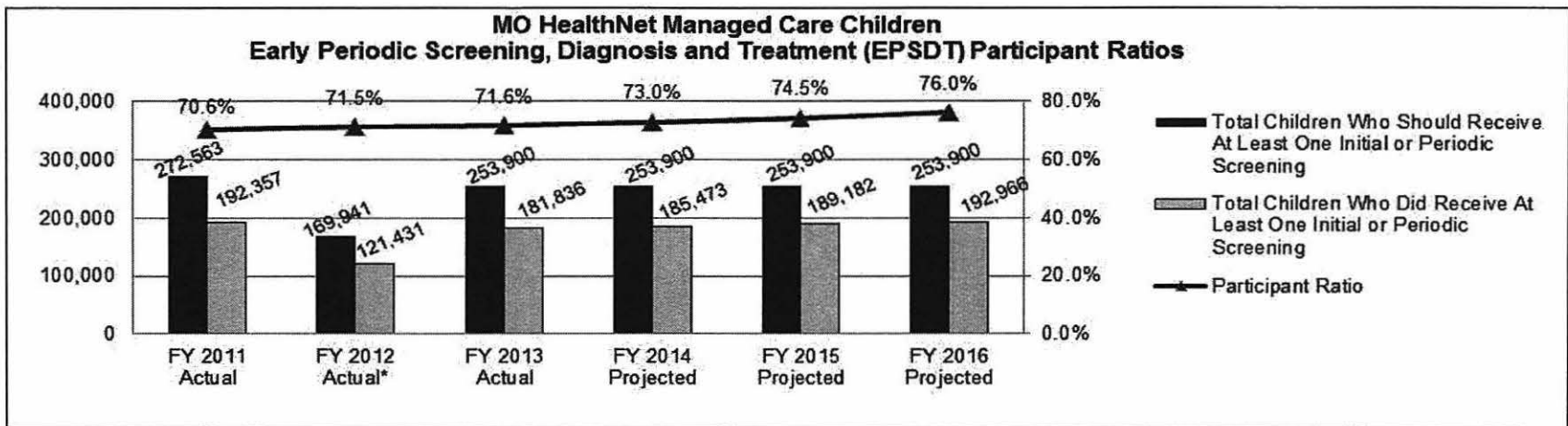


**Effectiveness Measure 2:** Increase the percentage of participants with chronic conditions who receive treatment for their condition. The percentage of participants with a diagnosis of asthma who received a medical service for asthma was 84.59% in 2012.

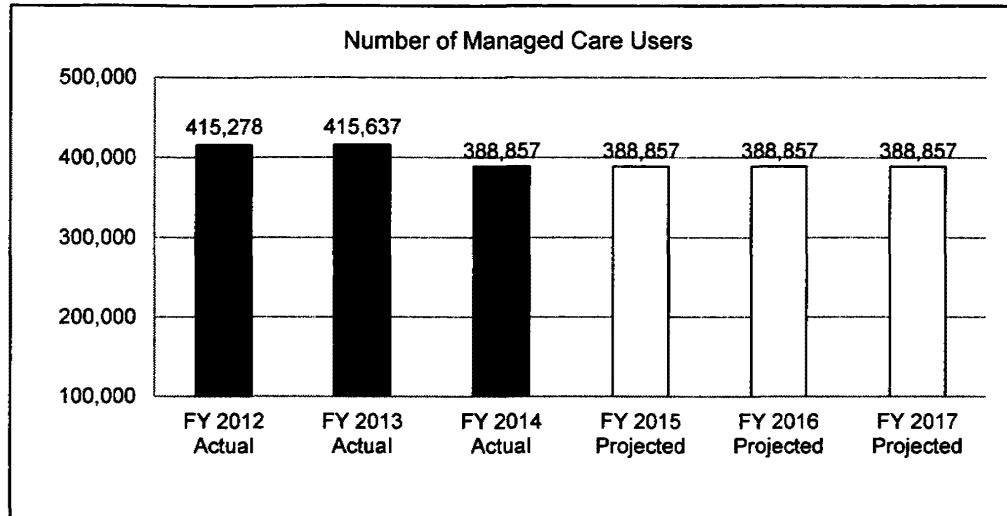
**6b. Provide an efficiency measure.**

The Early Periodic Screening, Diagnosis and Treatment (EPSDT) program is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening. The chart below does not include CHIP children.

**Efficiency Measure:** Increase the ratio of children who receive an EPSDT service. In FY 2012, over 71% of the children in Managed Care (not including CHIP) received an EPSDT screening.



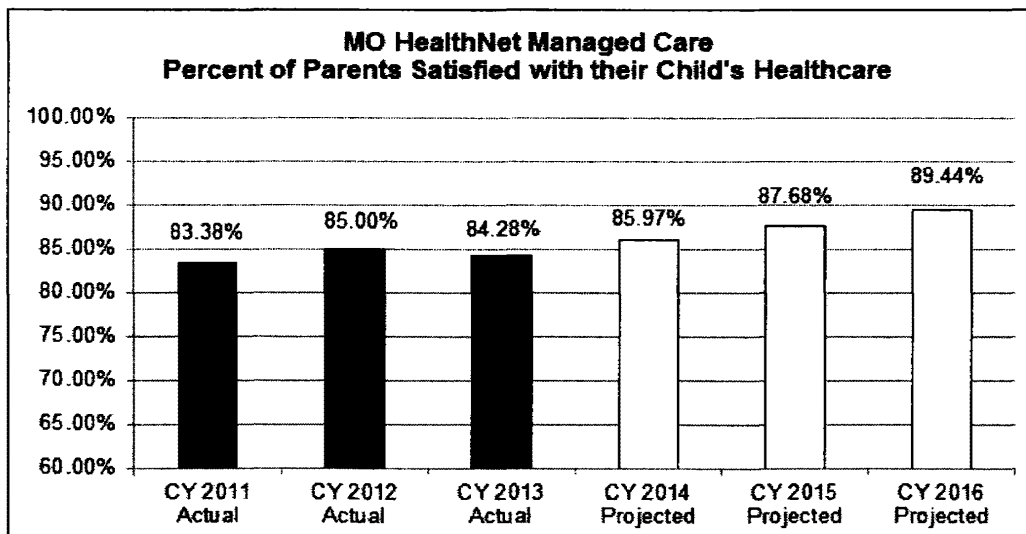
**6c. Provide the number of clients/individuals served, if applicable.**



Users include MO HealthNet (Title XIX) and CHIP (Title XXI) participants.

**6d. Provide a customer satisfaction measure, if available.**

When parents were asked if they were satisfied with the health care their child received through their MO HealthNet Managed Care plan, 84% responded that they were satisfied in 2012.



**Customer Satisfaction Measure:** Increase the percentage of parents who were satisfied with the health care their child received through MO HealthNet Managed Care.



#### **7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Participate in the Statewide Coalition, consisting of leaders from Missouri Hospital Association and the Family and Community Trust to provide outreach and enrollment.
- Purchase cost effective health insurance policies for MO HealthNet participants through the Health Insurance Premium Payment Program.
- Continue to work with community groups, local medical providers, health care associations, schools, etc., regarding access to MO HealthNet coverage.
- Continue to work with MO HealthNet Managed Care health plans to provide outreach and education to communities regarding access to MO HealthNet coverage.

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MANAGED CARE</b>								
Managed Care Actuarial Increas - 1886010								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	62,866,383	0.00	11,192,155	0.00
TOTAL - PD	0	0.00	0	0.00	62,866,383	0.00	11,192,155	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$62,866,383</b>	<b>0.00</b>	<b>\$11,192,155</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$22,784,349	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$40,082,034	0.00	\$11,187,155	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$5,000	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CHILDREN'S HEALTH INS PROGRAM</b>								
<b>Managed Care Actuarial Increas - 1886010</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,189,252	0.00	1,938,497	0.00
TOTAL - PD	0	0.00	0	0.00	4,189,252	0.00	1,938,497	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$4,189,252</b>	<b>0.00</b>	<b>\$1,938,497</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,082,084	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$3,107,168	0.00	\$1,938,497	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



**NEW DECISION ITEM  
RANK: 999**

Department: Social Services  
Division: MO HealthNet  
DI Name: FMAP

Budget Unit: 90541C, 90544C, 90546C, 90547C, 90549C, 90550C, 90551C,  
90552C, 90556C, 90561C, 90564C, 90568C  
DI#: 1886018

**1. AMOUNT OF REQUEST**

	FY 2015 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

	FY 2015 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	0	12,338,226		12,338,226
TRF				
Total	0	12,338,226	0	12,338,226
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

**NDI SYNOPSIS:** Funding to address the change in the Federal Medical Assistance Percentage (FMAP). Changes are regular rate from 61.865% blended to 63.095% blended and enhanced rate from 73.305% blended to 74.170% blended.

This funding is requested to compensate for the change in the Federal Medical Assistance Percentage (FMAP). Each year the Centers for Medicare and Medicaid Services (CMS) revises the percentage of Medicaid costs that the federal government will reimburse to each state. Effective October 1, 2015, the FMAP rate will decrease from 63.45% to 63.28%. The enhanced FMAP rate for the CHIP children and the Women with Breast or Cervical Cancer program will decrease from 74.42% to 74.30%. As a result, the MO HealthNet Division seeks to continue program core funding at current levels by compensating for this change in federal funding levels. The increased costs of this decision item have an equal offset in the affected program cores as core reductions. The Federal Authority is Social Security Act 1905(b).

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Since the federal fiscal year (FFY) doesn't begin until the second quarter of the state fiscal year (SFY), a SFY blended rate is applied to the SFY core funding. This blended rate is derived by adding the old FFY rate (63.45%) for three months (July thru September) and the new FFY rate (63.28%) for nine months (October thru June) and dividing by 12 months, resulting in a SFY blended rate of 63.323%. This same procedure is applied to the enhanced federal match for the CHIP program and the women with Breast or Cervical Cancer program. The enhanced old FFY rate of 74.42% for three months (July thru September) and the new FFY rate of 74.30% for nine months (October thru June) results in an enhanced SFY blended rate of 74.330%. In order to continue current core funding, these blended rates are applied to the SFY 15 core funding resulting in a revised mix of funding sources while maintaining the same total. Based on the review of all program cores and the change in FMAP, the below increases are needed to maintain total funding at the correct level.

Governor's Recommendations:

Governor's Recommendations include the updated FMAP percentage that the federal government will use.

	Total	GR	Federal	Other
Pharmacy	3,742,735		3,742,735	0
Physician	690,073		690,073	0
Dental	62,098		62,098	0
Premium Payments	1,459,072		1,459,072	0
Home Health	25,599		25,599	0
Nursing Facility	1,264,391		1,264,391	0
Rehab & Specialty	1,260,739		1,260,739	0
NEMT	2,113,082		2,113,082	0
CHIP	1,720,437		1,720,437	0
Total	12,338,226		12,338,226	

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0				0		0		
Total PSD	0		0		0		0		0
Transfers							0		
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0		12,338,226		0		12,338,226		
Total PSD	0		12,338,226		0		12,338,226		0
Transfers							0		
Total TRF	0		0		0		0		0
Grand Total	0	0.0	12,338,226	0.0	0	0.0	12,338,226	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

Year	Regular FFP Rates		Enhanced FFP Rates (CHIP Program)	
	FFY	SFY	FFY	SFY
2010	64.510%	64.180%	75.160%	74.930%
2011	63.290%	63.595%	74.300%	74.515%
2012	63.450%	63.410%	74.420%	74.390%
2013	61.370%	61.890%	72.960%	73.325%
2014	62.030%	61.865%	73.420%	73.305%
2015	63.450%	63.095%	74.420%	74.170%

Since the FMAP adjustments represent a funding source rather than a particular program, measures for the FMAP adjustments are incorporated into the specific MO HealthNet program sections.

**6b. Provide an efficiency measure.**

N/A

**6c. Provide the number of clients/individuals served, if applicable.**

N/A

**6d. Provide a customer satisfaction measure, if available.**

N/A

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Maintain flow of federal financial participation in the healthcare arena. (Beyond DSS)
- The MO HealthNet Division performs detailed projections for all program cores. These projections include adjusting the federal participation level to the percentage in effect for SFY15.



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY</b>								
<b>FMAP ADJUSTMENT - 1886032</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	3,742,735	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	3,742,735	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$3,742,735</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
<b>FEDERAL FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$3,742,735</b>	<b>0.00</b>
<b>OTHER FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHYSICIAN RELATED PROF								
FMAP ADJUSTMENT - 1886032								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	690,073	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	690,073	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$690,073	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$690,073	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>DENTAL</b>								
<b>FMAP ADJUSTMENT - 1886032</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	62,098	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	62,098	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$62,098</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
<b>FEDERAL FUNDS</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$62,098	0.00
<b>OTHER FUNDS</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PREMIUM PAYMENTS</b>								
<b>FMAP ADJUSTMENT - 1886032</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	1,459,072	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,459,072	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,459,072</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
<b>FEDERAL FUNDS</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$1,459,072	0.00
<b>OTHER FUNDS</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

**DECISION ITEM DETAIL**

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITIES</b>								
<b>FMAP ADJUSTMENT - 1886032</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	1,264,391	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,264,391	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,264,391</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
<b>FEDERAL FUNDS</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$1,264,391	0.00
<b>OTHER FUNDS</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOME HEALTH</b>								
<b>FMAP ADJUSTMENT - 1886032</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	25,599	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	25,599	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$25,599</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
<b>FEDERAL FUNDS</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$25,599	0.00
<b>OTHER FUNDS</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
<b>FMAP ADJUSTMENT - 1886032</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	1,260,739	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,260,739	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,260,739</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
<b>FEDERAL FUNDS</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$1,260,739	0.00
<b>OTHER FUNDS</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

**DECISION ITEM DETAIL**

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NON-EMERGENCY TRANSPORT</b>								
<b>FMAP ADJUSTMENT - 1886032</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	2,113,082	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	2,113,082	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,113,082</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$2,113,082	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CHILDREN'S HEALTH INS PROGRAM</b>								
<b>FMAP ADJUSTMENT - 1886032</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	1,720,437	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,720,437	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,720,437</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
<b>FEDERAL FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,720,437</b>	<b>0.00</b>
<b>OTHER FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>



**NEW DECISION ITEM  
RANK: 24**

Department: Social Services  
Division: MO HealthNet  
DI Name: FY16 Transfer Authority

Budget Unit: 90840C, 90845C, 90850C, 90855C  
DI#: 1886012

**1. AMOUNT OF REQUEST**

FY 2015 Budget Request			
GR	Federal	Other	Total
PS			
EE			
PSD			
TRF	50,467,265	50,467,265	100,934,530
Total	<b>50,467,265</b>	<b>50,467,265</b>	<b>100,934,530</b>
FTE			0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance Fund (0142)  
Pharmacy Federal Reimbursement Allowance Fund (0144)

FY 2015 Governor's Recommendation			
GR	Federal	Other	Total
PS			
EE			
PSD			
TRF	50,467,265	50,467,265	100,934,530
Total	<b>50,467,265</b>	<b>50,467,265</b>	<b>100,934,530</b>
FTE			

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance Fund (0412)  
Pharmacy Federal Reimbursement Allowance Fund (0144)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Increase Authority	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

Based on projected MO HealthNet transfers for fiscal year 2016, it is anticipated that additional appropriation authority will be necessary to operate MO HealthNet transfers in FY16. Lines with estimated appropriation shortfalls totaling \$100,934,530 include Federal Reimbursement Allowance Fund Transfer, Pharmacy Federal Reimbursement Allowance Fund Transfer, and General Revenue.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Based on FY 2016 transfer projections additional authority is needed as follows:

	GR	Other	Total
<b>Estimated Shortfalls</b>			
Federal Reimbursement Allowance	\$47,494,763	\$47,494,763	\$94,989,526
Pharmacy FRA	\$2,972,502	\$2,972,502	\$5,945,004
Supplemental Need	\$50,467,265	\$50,467,265	\$100,934,530

The Governor Recommended as requested.

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
<b>Total PS</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>
<b>Total EE</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
Program Distributions							0		
<b>Total PSD</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
Transfers	50,467,265				50,467,265		100,934,530		
<b>Total TRF</b>	<b>50,467,265</b>		<b>0</b>		<b>50,467,265</b>		<b>100,934,530</b>		<b>0</b>
<b>Grand Total</b>	<b>50,467,265</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>50,467,265</b>	<b>0.0</b>	<b>100,934,530</b>	<b>0.0</b>	<b>0</b>

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec FTE	GR	Gov Rec FED DOLLARS	Gov Rec FTE	FED	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
<b>Total PS</b>	<b>0</b>		<b>0.0</b>	<b>0</b>		<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>
<b>Total EE</b>	<b>0</b>			<b>0</b>			<b>0</b>		<b>0</b>		<b>0</b>
Program Distributions											
<b>Total PSD</b>	<b>0</b>			<b>0</b>			<b>0</b>		<b>0</b>		<b>0</b>
Transfers	50,467,265						50,467,265		100,934,530		
<b>Total TRF</b>	<b>50,467,265</b>			<b>0</b>			<b>50,467,265</b>		<b>100,934,530</b>		<b>0</b>
<b>Grand Total</b>	<b>50,467,265</b>		<b>0.0</b>	<b>0</b>		<b>0.0</b>	<b>50,467,265</b>	<b>0.0</b>	<b>100,934,530</b>	<b>0.0</b>	<b>0</b>

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

**6b. Provide an efficiency measure.**

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

**6c. Provide the number of clients/individuals served, if applicable.**

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

**6d. Provide a customer satisfaction measure, if available.**

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>GR PHARMACY FRA TRANSFER</b>								
<b>Transfer Authority Increase - 1886012</b>								
TRANSFERS OUT	0	0.00	0	0.00	0	0.00	2,972,502	0.00
TOTAL - TRF	0	0.00	0	0.00	0	0.00	2,972,502	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,972,502</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$2,972,502	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY FRA TRANSFER</b>								
Transfer Authority Increase - 1886012								
TRANSFERS OUT	0	0.00	0	0.00	0	0.00	2,972,502	0.00
TOTAL - TRF	0	0.00	0	0.00	0	0.00	2,972,502	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,972,502</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$2,972,502	0.00



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>GR FRA-TRANSFER</b>								
<b>Transfer Authority Increase - 1886012</b>								
TRANSFERS OUT	0	0.00	0	0.00	47,494,763	0.00	47,494,763	0.00
TOTAL - TRF	0	0.00	0	0.00	47,494,763	0.00	47,494,763	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$47,494,763</b>	<b>0.00</b>	<b>\$47,494,763</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$47,494,763	0.00	\$47,494,763	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>FED REIMBURSE ALLOW-TRANSFER</b>								
<b>Transfer Authority Increase - 1886012</b>								
TRANSFERS OUT	0	0.00	0	0.00	47,494,763	0.00	47,494,763	0.00
TOTAL - TRF	0	0.00	0	0.00	47,494,763	0.00	47,494,763	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$47,494,763</b>	<b>0.00</b>	<b>\$47,494,763</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$47,494,763	0.00	\$47,494,763	0.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>GR NFFRA-TRANSFER</b>								
Transfer Authority Increase - 1886012								
TRANSFERS OUT	0	0.00	0	0.00	2,972,502	0.00	0	0.00
TOTAL - TRF	0	0.00	0	0.00	2,972,502	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,972,502</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$2,972,502	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

**DECISION ITEM DETAIL**

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITY REIM-TRANSFER</b>								
Transfer Authority Increase - 1886012								
TRANSFERS OUT	0	0.00	0	0.00	2,972,502	0.00	0	0.00
TOTAL - TRF	0	0.00	0	0.00	2,972,502	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,972,502</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$2,972,502	0.00		0.00



## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MO HEALTHNET ADMIN</b>								
<b>CORE</b>								
<b>PERSONAL SERVICES</b>								
GENERAL REVENUE	2,658,468	61.30	2,772,338	64.53	2,772,338	64.53	2,772,338	64.53
DEPT OF SOC SERV FEDERAL & OTH	5,250,286	120.04	5,388,732	124.97	5,388,732	124.97	5,388,732	124.97
THIRD PARTY LIABILITY COLLECT	378,227	8.73	388,427	12.29	388,427	12.29	388,427	12.29
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	95,212	2.00	95,212	2.00	95,212	2.00
PHARMACY REIMBURSEMENT ALLOWAN	24,947	0.54	25,939	0.50	25,939	0.50	25,939	0.50
NURSING FAC QUALITY OF CARE	80,854	1.91	83,871	2.45	83,871	2.45	83,871	2.45
HEALTH INITIATIVES	365,468	8.49	419,561	9.87	419,561	9.87	419,561	9.87
MISSOURI RX PLAN FUND	413,557	10.29	755,793	17.00	755,793	17.00	755,793	17.00
AMBULANCE SERVICE REIMB ALLOW	62	0.00	17,904	0.50	17,904	0.50	17,904	0.50
TOTAL - PS	9,171,869	211.30	9,947,777	234.11	9,947,777	234.11	9,947,777	234.11
<b>EXPENSE &amp; EQUIPMENT</b>								
GENERAL REVENUE	761,549	0.00	771,400	0.00	770,656	0.00	770,656	0.00
DEPT OF SOC SERV FEDERAL & OTH	2,739,435	0.00	3,389,496	0.00	3,389,496	0.00	3,389,496	0.00
THIRD PARTY LIABILITY COLLECT	472,904	0.00	488,041	0.00	488,041	0.00	488,041	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	7,708	0.00	7,708	0.00	7,708	0.00
PHARMACY REIMBURSEMENT ALLOWAN	356	0.00	356	0.00	356	0.00	356	0.00
NURSING FAC QUALITY OF CARE	9,482	0.00	10,281	0.00	10,281	0.00	10,281	0.00
HEALTH INITIATIVES	40,143	0.00	41,385	0.00	41,385	0.00	41,385	0.00
MISSOURI RX PLAN FUND	0	0.00	55,553	0.00	55,553	0.00	55,553	0.00
AMBULANCE SERVICE REIMB ALLOW	3,466	0.00	3,466	0.00	3,466	0.00	3,466	0.00
TOTAL - EE	4,027,335	0.00	4,767,686	0.00	4,766,942	0.00	4,766,942	0.00
<b>PROGRAM-SPECIFIC</b>								
GENERAL REVENUE	744	0.00	0	0.00	744	0.00	744	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	1,030	0.00	1,030	0.00	1,030	0.00
TOTAL - PD	744	0.00	1,030	0.00	1,774	0.00	1,774	0.00
<b>TOTAL</b>	<b>13,199,948</b>	<b>211.30</b>	<b>14,716,493</b>	<b>234.11</b>	<b>14,716,493</b>	<b>234.11</b>	<b>14,716,493</b>	<b>234.11</b>
<b>Pay Plan FY15-Cost to Continue - 0000014</b>								
<b>PERSONAL SERVICES</b>								
GENERAL REVENUE	0	0.00	0	0.00	14,964	0.00	14,964	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	29,079	0.00	29,079	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	2,101	0.00	2,101	0.00

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## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>MO HEALTHNET ADMIN</b>									
<b>Pay Plan FY15-Cost to Continue - 0000014</b>									
PERSONAL SERVICES									
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	0	0.00	517	0.00	517	0.00	
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	141	0.00	141	0.00	
NURSING FAC QUALITY OF CARE	0	0.00	0	0.00	451	0.00	451	0.00	
HEALTH INITIATIVES	0	0.00	0	0.00	2,264	0.00	2,264	0.00	
MISSOURI RX PLAN FUND	0	0.00	0	0.00	4,079	0.00	4,079	0.00	
AMBULANCE SERVICE REIMB ALLOW	0	0.00	0	0.00	97	0.00	97	0.00	
TOTAL - PS	0	0.00	0	0.00	53,693	0.00	53,693	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>53,693</b>	<b>0.00</b>	<b>53,693</b>	<b>0.00</b>	
<b>PAB Rec Incr FY15-Cost to Cont - 0000015</b>									
PERSONAL SERVICES									
GENERAL REVENUE	0	0.00	0	0.00	844	0.00	844	0.00	
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	1,557	0.00	1,557	0.00	
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	90	0.00	90	0.00	
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	0	0.00	17	0.00	17	0.00	
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	5	0.00	5	0.00	
NURSING FAC QUALITY OF CARE	0	0.00	0	0.00	22	0.00	22	0.00	
HEALTH INITIATIVES	0	0.00	0	0.00	68	0.00	68	0.00	
MISSOURI RX PLAN FUND	0	0.00	0	0.00	133	0.00	133	0.00	
AMBULANCE SERVICE REIMB ALLOW	0	0.00	0	0.00	17	0.00	17	0.00	
TOTAL - PS	0	0.00	0	0.00	2,753	0.00	2,753	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2,753</b>	<b>0.00</b>	<b>2,753</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$13,199,948</b>	<b>211.30</b>	<b>\$14,716,493</b>	<b>234.11</b>	<b>\$14,772,939</b>	<b>234.11</b>	<b>\$14,772,939</b>	<b>234.11</b>	

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## CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: MO HealthNet Administration

Budget Unit: 90512C

### 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS	2,772,338	5,388,732	1,786,707	9,947,777
EE	770,656	3,389,496	606,790	4,766,942
PSD	744	1,030		1,774
TRF				
<b>Total</b>	<b>3,543,738</b>	<b>8,779,258</b>	<b>2,393,497</b>	<b>14,716,493</b>
<b>FTE</b>	<b>64.53</b>	<b>124.97</b>	<b>44.61</b>	<b>234.11</b>

<b>Est. Fringe</b>	1,395,141	2,707,249	929,053	5,031,443
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)  
Health Initiatives Fund (HIF) (0275)  
Nursing Facility Quality of Care Fund (NFQC) (0271)  
Third Party Liability Collections Fund (TPL) (0120)  
MO Rx Plan Fund (0779)  
Federal Reimbursement Allowance Fund (FRA) (0142)  
Ambulance Service Reimbursement Allowance Fund (0958)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS	2,772,338	5,388,732	1,786,707	9,947,777
EE	770,656	3,389,496	606,790	4,766,942
PSD	744	1,030		1,774
TRF				
<b>Total</b>	<b>3,543,738</b>	<b>8,779,258</b>	<b>2,393,497</b>	<b>14,716,493</b>
<b>FTE</b>				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)  
Health Initiatives Fund (HIF) (0275)  
Nursing Facility Quality of Care Fund (NFQC) (0271)  
Third Party Liability Collections Fund (TPL) (0120)  
MO Rx Plan Fund (0779)  
Federal Reimbursement Allowance Fund (FRA) (0142)  
Ambulance Service Reimbursement Allowance Fund (0958)

### 2. CORE DESCRIPTION

This core request is for the continued operation of the MO HealthNet program. The MO HealthNet Division seeks to aid participants and providers in their efforts to access the MO HealthNet program by utilizing administrative staffing, expense and equipment and contractor resources effectively.

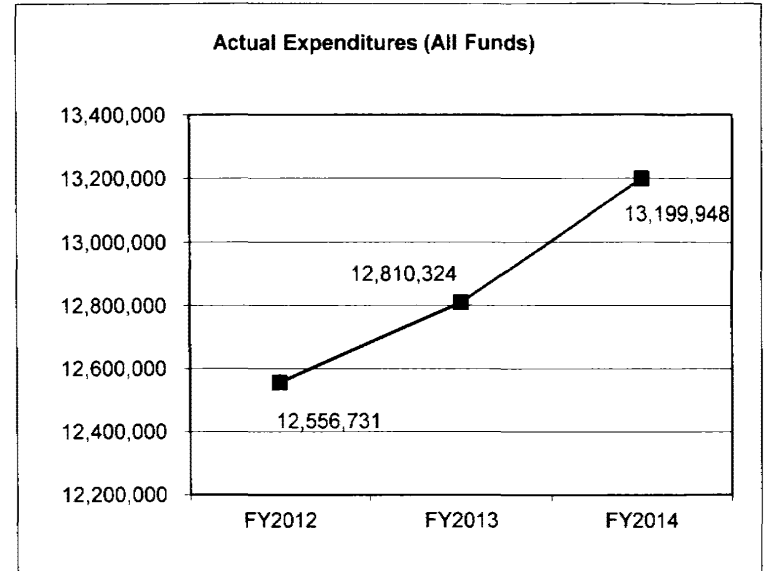
### 3. PROGRAM LISTING (list programs included in this core funding)

MO HealthNet Administration



#### 4. FINANCIAL HISTORY

	FY2012 Actual	FY2013 Actual	FY2014 Actual	FY2015 Current Yr.
Appropriation (All Funds)	13,985,715	14,127,453	14,626,180	14,716,493
Less Reverted (All Funds)	(114,262)	(115,584)	(119,552)	N/A
Budget Authority (All Funds)	13,871,453	14,011,869	14,506,628	N/A
Actual Expenditures (All Funds)	12,556,731	12,810,324	13,199,948	N/A
Unexpended (All Funds)	1,314,722	1,201,545	1,306,680	N/A
Unexpended, by Fund:				
General Revenue	25	27	1,939	N/A
Federal	694,311	634,479	731,123	N/A
Other	620,388	567,039	570,618	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

**(1)** FY12 Agency reserve of \$815,382: Federal Funds \$56,000 in PS and \$637,652 in E&E; Federal Reimbursement Allowance Funds \$92,019 in PS; MO RX Plan Funds \$2,500 in PS and \$10,000 in E&E; Ambulance Service Reimbursement Allowance Funds \$17,211 in PS. \$2.35 million core transfer to new centralized MO HealthNet Medicaid Audit and Compliance section.

**(2)** FY 2013: Agency reserve of \$1,034,340: Federal Funds \$80,000 in PS and \$509,132 in E&E; Federal Reimbursement Allowance Funds \$7,708 in E&E; MO RX Plan Funds \$427,500 in PS and \$10,000 in E&E.

**(3)** FY 2014: Agency reserve of \$878,308: Federal Funds \$56,000 in PS and \$653,091 in E&E; Federal Reimbursement Allowance Funds \$93,536 in PS and \$7,708 in E&E; MO RX Plan Funds \$2,500 in PS and \$10,000 in E&E; Nursing Facility Quality of Care Funds \$799 E&E; Healthy Initiatives Funds \$37,180 in PS; Ambulance Service Reimbursement Allowance Fund \$17,494 in PS.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**MO HEALTHNET ADMIN**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>										
				PS	234.11	2,772,338	5,388,732	1,786,707	9,947,777	
				EE	0.00	771,400	3,389,496	606,790	4,767,686	
				PD	0.00	0	1,030	0	1,030	
				<b>Total</b>	<b>234.11</b>	<b>3,543,738</b>	<b>8,779,258</b>	<b>2,393,497</b>	<b>14,716,493</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reallocation	131	1753		PS	0.00	0	0	0	(0)	
Core Reallocation	131	6884		PS	0.00	0	0	0	(0)	
Core Reallocation	131	1670		PS	0.00	0	0	0	(0)	
Core Reallocation	132	6377		EE	0.00	(744)	0	0	(744)	Core reallocations will better align the budget with planned spending.
Core Reallocation	132	6377		PD	0.00	744	0	0	744	Core reallocations will better align the budget with planned spending.
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				PS	234.11	2,772,338	5,388,732	1,786,707	9,947,777	
				EE	0.00	770,656	3,389,496	606,790	4,766,942	
				PD	0.00	744	1,030	0	1,774	
				<b>Total</b>	<b>234.11</b>	<b>3,543,738</b>	<b>8,779,258</b>	<b>2,393,497</b>	<b>14,716,493</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				PS	234.11	2,772,338	5,388,732	1,786,707	9,947,777	
				EE	0.00	770,656	3,389,496	606,790	4,766,942	

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**MO HEALTHNET ADMIN**

**5. CORE RECONCILIATION DETAIL**

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	PD	0.00	744	1,030	0	1,774	
	<b>Total</b>	<b>234.11</b>	<b>3,543,738</b>	<b>8,779,258</b>	<b>2,393,497</b>	<b>14,716,493</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MO HEALTHNET ADMIN</b>								
<b>CORE</b>								
OFFICE SUPPORT ASST (CLERICAL)	21,766	0.99	24,141	1.00	24,141	1.00	24,141	1.00
ADMIN OFFICE SUPPORT ASSISTANT	169,614	5.87	210,209	7.00	210,209	7.00	210,209	7.00
OFFICE SUPPORT ASST (KEYBRD)	62,366	2.78	112,905	5.00	78,105	3.00	78,105	3.00
SR OFC SUPPORT ASST (KEYBRD)	264,249	10.53	383,297	15.00	307,297	11.00	307,297	11.00
ACCOUNT CLERK II	85,940	3.46	130,689	5.00	130,689	5.00	130,689	5.00
AUDITOR II	98,858	2.69	149,371	4.00	149,371	4.00	149,371	4.00
AUDITOR I	127,180	3.75	171,301	5.00	163,301	5.00	163,301	5.00
SENIOR AUDITOR	277,987	6.71	290,414	7.00	290,414	7.00	290,414	7.00
ACCOUNTANT I	61,289	2.05	61,625	2.00	61,625	2.00	61,625	2.00
ACCOUNTANT III	157,850	3.83	170,164	4.00	170,164	4.00	170,164	4.00
PERSONNEL OFCR I	43,026	1.00	41,711	1.00	41,909	1.00	41,909	1.00
EXECUTIVE II	35,164	0.98	36,004	1.00	36,004	1.00	36,004	1.00
MANAGEMENT ANALYSIS SPEC II	287,154	6.46	390,758	9.00	390,758	9.00	390,758	9.00
HEALTH PROGRAM REP III	0	0.00	253	0.00	0	0.00	0	0.00
SPECIAL EDUC TEACHER III	1,605	0.04	0	0.00	0	0.00	0	0.00
PHYSICIAN	118,515	0.99	110,538	1.00	119,302	1.00	119,302	1.00
REGISTERED NURSE - CLIN OPERS	193,856	3.48	244,719	4.00	244,719	4.00	244,719	4.00
PROGRAM DEVELOPMENT SPEC	541,274	13.37	472,251	11.00	574,467	14.00	574,467	14.00
MEDICAID PROGRAM RELATIONS REP	170,849	4.29	166,284	4.00	191,284	5.00	191,284	5.00
CORRESPONDENCE & INFO SPEC I	576,815	16.25	682,487	19.50	611,499	17.50	611,499	17.50
MEDICAID PHARMACEUTICAL TECH	202,566	6.33	225,536	7.00	225,536	7.00	225,536	7.00
MEDICAID CLERK	241,673	8.63	231,914	8.00	262,857	10.00	262,857	10.00
MEDICAID TECHNICIAN	795,099	24.79	950,446	28.54	950,446	28.66	950,446	28.66
MEDICAID SPEC	982,112	26.07	1,176,026	27.99	1,038,382	27.87	1,038,382	27.87
MEDICAID UNIT SPV	380,729	8.68	549,879	11.00	549,879	11.00	549,879	11.00
FISCAL & ADMINISTRATIVE MGR B1	305,523	6.11	299,416	6.00	299,416	6.00	299,416	6.00
FISCAL & ADMINISTRATIVE MGR B2	366,220	5.87	257,420	4.00	382,196	6.00	382,196	6.00
RESEARCH MANAGER B1	0	0.00	55,158	1.00	55,158	1.00	55,158	1.00
SOCIAL SERVICES MGR, BAND 1	84,449	1.73	99,549	2.00	99,549	2.00	99,549	2.00
SOCIAL SERVICES MNGR, BAND 2	631,740	11.49	716,007	13.00	716,007	13.00	716,007	13.00
DESIGNATED PRINCIPAL ASST DEPT	13,821	0.18	0	0.00	0	0.00	0	0.00
DIVISION DIRECTOR	150,408	0.99	168,649	1.00	204,437	1.00	204,437	1.00

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MO HEALTHNET ADMIN</b>								
<b>CORE</b>								
DEPUTY DIVISION DIRECTOR	89,556	0.99	89,915	1.00	89,915	1.00	89,915	1.00
DESIGNATED PRINCIPAL ASST DIV	182,182	2.16	92,586	1.08	92,586	1.08	92,586	1.08
LEGAL COUNSEL	75,862	1.03	72,407	1.00	72,407	1.00	72,407	1.00
ACCOUNT CLERK	6,303	0.25	0	0.00	0	0.00	0	0.00
AUDITOR	2,582	0.06	0	0.00	0	0.00	0	0.00
MISCELLANEOUS TECHNICAL	465	0.01	0	0.00	0	0.00	0	0.00
MISCELLANEOUS PROFESSIONAL	20,697	0.34	0	0.00	0	0.00	0	0.00
SPECIAL ASST PROFESSIONAL	1,266,571	14.33	1,006,458	13.00	1,006,458	13.00	1,006,458	13.00
SPECIAL ASST OFFICE & CLERICAL	69,888	1.54	107,290	3.00	107,290	3.00	107,290	3.00
REGISTERED NURSE	8,066	0.20	0	0.00	0	0.00	0	0.00
<b>TOTAL - PS</b>	<b>9,171,869</b>	<b>211.30</b>	<b>9,947,777</b>	<b>234.11</b>	<b>9,947,777</b>	<b>234.11</b>	<b>9,947,777</b>	<b>234.11</b>
TRAVEL, IN-STATE	6,757	0.00	12,486	0.00	11,499	0.00	11,499	0.00
TRAVEL, OUT-OF-STATE	5,177	0.00	3,786	0.00	3,786	0.00	3,786	0.00
SUPPLIES	391,783	0.00	476,150	0.00	476,150	0.00	476,150	0.00
PROFESSIONAL DEVELOPMENT	45,576	0.00	73,085	0.00	45,576	0.00	45,576	0.00
COMMUNICATION SERV & SUPP	95,549	0.00	90,000	0.00	90,000	0.00	90,000	0.00
PROFESSIONAL SERVICES	3,462,412	0.00	3,813,913	0.00	4,091,993	0.00	4,091,993	0.00
M&R SERVICES	1,204	0.00	265,000	0.00	5,000	0.00	5,000	0.00
COMPUTER EQUIPMENT	0	0.00	6,488	0.00	6,488	0.00	6,488	0.00
OFFICE EQUIPMENT	15,599	0.00	8,602	0.00	17,152	0.00	17,152	0.00
OTHER EQUIPMENT	975	0.00	2,240	0.00	2,462	0.00	2,462	0.00
PROPERTY & IMPROVEMENTS	0	0.00	6,241	0.00	6,241	0.00	6,241	0.00
BUILDING LEASE PAYMENTS	900	0.00	0	0.00	900	0.00	900	0.00
EQUIPMENT RENTALS & LEASES	0	0.00	2,449	0.00	2,449	0.00	2,449	0.00
MISCELLANEOUS EXPENSES	1,403	0.00	7,246	0.00	7,246	0.00	7,246	0.00
<b>TOTAL - EE</b>	<b>4,027,335</b>	<b>0.00</b>	<b>4,767,686</b>	<b>0.00</b>	<b>4,766,942</b>	<b>0.00</b>	<b>4,766,942</b>	<b>0.00</b>

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MO HEALTHNET ADMIN</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	744	0.00	1,030	0.00	1,774	0.00	1,774	0.00
TOTAL - PD	744	0.00	1,030	0.00	1,774	0.00	1,774	0.00
<b>GRAND TOTAL</b>	<b>\$13,199,948</b>	<b>211.30</b>	<b>\$14,716,493</b>	<b>234.11</b>	<b>\$14,716,493</b>	<b>234.11</b>	<b>\$14,716,493</b>	<b>234.11</b>
GENERAL REVENUE	\$3,420,761	61.30	\$3,543,738	64.53	\$3,543,738	64.53	\$3,543,738	64.53
FEDERAL FUNDS	\$7,989,721	120.04	\$8,779,258	124.97	\$8,779,258	124.97	\$8,779,258	124.97
OTHER FUNDS	\$1,789,466	29.96	\$2,393,497	44.61	\$2,393,497	44.61	\$2,393,497	44.61

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: MO HealthNet Administration

Program is found in the following core budget(s): MO HealthNet Administration

### 1. What does this program do?

In order to efficiently operate the \$9.2 billion MO HealthNet program, the MO HealthNet Division effectively utilizes its appropriated staff of 234.11 FTE. Without these staff and expense and equipment resources, the MO HealthNet program would not function. The staff running the MO HealthNet program account for less than .4% of total state employees while the MO HealthNet program comprises 37.5% of the total FY 2015 state operating budget of \$26.1 billion. The Administrative portion of the budget (Personal Services and Expense and Equipment) comprises less than 0.3% of the division's total budget. As of June 2014, there were a total of 825,974 participants enrolled in MO HealthNet. Participants and providers benefit from the assistance of the MO HealthNet Division's staff.

Administrative expenditures for the division consist of Personal Services and Expense and Equipment. These expenditures are driven by the operational demands of the MO HealthNet program. The division operates both a fee-for-service program and a managed care program. As of June 2014, there were 388,857 participants eligible for capitated managed care in the Eastern, Central and Western regions of the state. At the same time, fee-for-service programs with 437,117 MO HealthNet participants are being operated for those not in managed care. Administrative expenditures also include payment to contractors for professional services comprising about 83% of the administrative Expense & Equipment expenditures. Examples of professional services include consulting contracts with health care professionals to conduct utilization claim reviews to determine medical necessity of services; actuarial services; and services of an external quality reviewer as required by federal law.

The remaining 17% of administrative Expense and Equipment expenditures goes to support MO HealthNet employees for such needs as supplies, postage, and office equipment.

Personal Services The Division is structured into four major sections: (1) Program Operations; (2) Finance; (3) Evidenced-Based Decision Support Unit; and (4) Information Systems.

### Administration

•**Administration** - Establishes goals, objectives, policies, and procedures; overall guidance and direction; legislative guidance on MO HealthNet issues; and final review of the budget and State Plan Amendments.

### Finance

•**Financial Services and Reporting** - Manages the financial procedures of the division; creates internal expenditure reports; prepares adjustments to claims; receives and deposits payments; manages provider account receivables and 1099 information; and manages lock box, automatic withdrawals and cash deposits for CHIP and spenddown pay-in cases.

•**Waiver Financing and Rate Setting** - Develops capitation rates with actuary for Managed Care Program, NEMT and PACE. Prepares federal budget neutrality reports.

•**Institutional Reimbursement** - Calculates hospital inpatient and outpatient rates and FQHC/RHC reimbursements; sets nursing home reimbursement rates; and administers hospital, nursing facility and ICF/MR provider taxes.

•**Financial Reporting and Budget** - Develops and tracks the division's annual budget request; prepares fiscal notes and program projections; prepares quarterly estimates and expenditure reports required by CMS; prepares legislative bill reviews; and processes accounts payable for the division.

- Pharmacy Fiscal** - Develops and tracks the Pharmacy budget; prepares fiscal notes, legislative bill reviews and projections for the Pharmacy program; and administers the pharmacy tax.
- Cost Recovery and Audit Services** - Administers a program to offset MO HealthNet expenditures when participants have third party coverage; MMAC liaison; and provides audit support.

\*Over FY2015, MHD will be reviewing opportunities through the financial components of the new eligibility and enrollment system to automate cost recovery and premium collections processes.

## Program Operations

- Managed Care** - Contract compliance, development and operations of the Managed Care Program.
- Clinical Program Operations** - Provides day-to-day oversight of MO HealthNet benefit programs. Operationalizes recommendations made by the Evidence-Based Decision Support team.
- Program Relations** - Responsible for provider education, provider communications, participant services and premium collections.
- Waivers** - Develops, monitors and evaluates Federal Waiver programs.
- Pharmacy** - Oversees outpatient prescription drug reimbursement for MO HealthNet eligibles; operates a toll-free hotline; oversight of contracts with outside vendors for pharmacy program enhancement activities; collects rebates from pharmaceutical manufacturers; coordinates pharmaceutical benefits for the Medicare Part D program.

## Evidence-Based Decision Support

- Evidence-Based Decision Support** - Develops strategies to improve the health status of MO HealthNet participants; assess quality of care provided under Managed Care and Fee-For-Service; evidence based clinical decision development and support; and patient centered medical home management. This section is lead by the MO HealthNet medical director.

\*Key projects in development to ensure quality of care and use of evidenced-based processes include the following:

- Early Elected Deliveries (EED) Policy:** Early induction of labor is associated with maternal complications including but not limited to increased risk of cesarean delivery, maternal infection and longer maternal hospitalizations. Early elective delivery also creates a significant cost to the health care system. With the consult of clinicians and other stakeholders, MHD has developed an evidenced-based, best practice policy to:

- ▶ Improve of maternal and fetal outcomes by avoiding complications associated with EED; and
- ▶ Reduction of health care costs associated with EED and associated complications.

This policy is promulgated in the Code of State Regulations.

- Pilot Program for Fee for Service Nurse Care Management:** MHD is developing a pilot program to provide nurse care management for members of the Fee for Service population. This program will seek to provide smooth transitions of care, care coordination, and care management to this population.

The population for this pilot will be identified based on intensity of resource utilization, including emergency department visits, hospital admission, and hospital readmission, which serves as a proxy measure for individual case complexity, and medical complexity. The care management and coordination will be provided by MHD registered nurses (current FTE).



•**Health Home for Foster Children:** MHD is working with Children's Division on developing the concept of a health home for the foster child population. This health home could take several forms:

- ▶ A physical health home similar to the current health home program.
- ▶ A central hub of care coordination and care management via a contractor, such as managed care plan or other vendor, that provides registered nurses who in turn provide the care management and coordination among other resources. This model would be defined by and coordinated with MHD.

## Information Services

•**Information Systems** - Payment system and MMIS - oversees and monitors the information system contracts, clinical management services and system for pharmacy and prior authorization contracts. Staff are responsible for the MMIS system that processes 99.8 million claims annually.

MO HealthNet implemented regular reporting to monitor compliance with the two prompt pay claims processing standards. The compliance results for the fiscal year ending June 30, 2014 are as follows:

- 30-day daily compliance rates for each day in the fiscal year range from a high of 100% to a low of 97.1%. The standard is a minimum compliance rate of 90%.
- 90-day daily compliance rates for each day in the fiscal year range from a high of 100% to a low of 99.9%. The standard is a minimum compliance rate of 99.9%.

### Expense and Equipment

The other major category in the Administration Core besides Personal Services is Expense and Equipment (E&E). In the FY 2014 core, it comprises 34% of the total Administration Core of \$14 million, or approximately \$4.8 million. Contracts for professional services total \$3.5 million of the division's Expenses and Equipment (E&E).

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.201; Federal law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

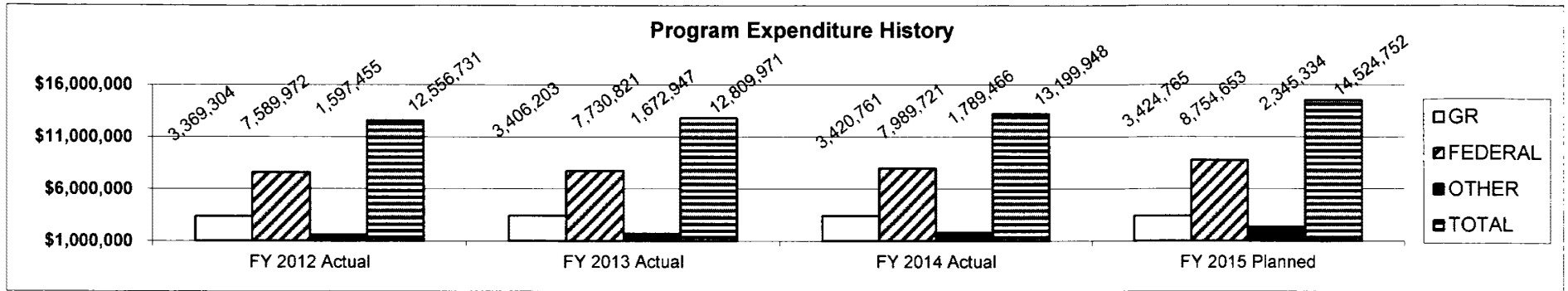
### **3. Are there federal matching requirements? If yes, please explain.**

General Medicaid administrative expenditures earn a 50% federal match. However, some positions earn 75% federal match such as our medical staff, pharmacy exceptions hotline, etc. Certain services through contracted vendors earn 75% and 90% federal match.

### **4. Is this a federally mandated program? If yes, please explain.**

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the MO HealthNet State Plan.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



FY 2015 planned is net of reverted and reserved. Reverted: \$106,312 GR and \$13,828 Other Funds.

Reserved: \$26,175 Other Funds. Restricted: \$12,661 GR, \$24,605 Fed and \$8,160 Other Funds.

**6. What are the sources of the "Other " funds?**

Federal Reimbursement Allowance Fund (0142), Third Party Liability Collections Fund (0120), Nursing Facility Quality of Care Fund (0271), Health Initiatives Fund (0275), Pharmacy Reimbursement Allowance Fund (0144), Missouri Rx Plan Fund (0779) and Ambulance Service Reimbursement Allowance Fund (0958).

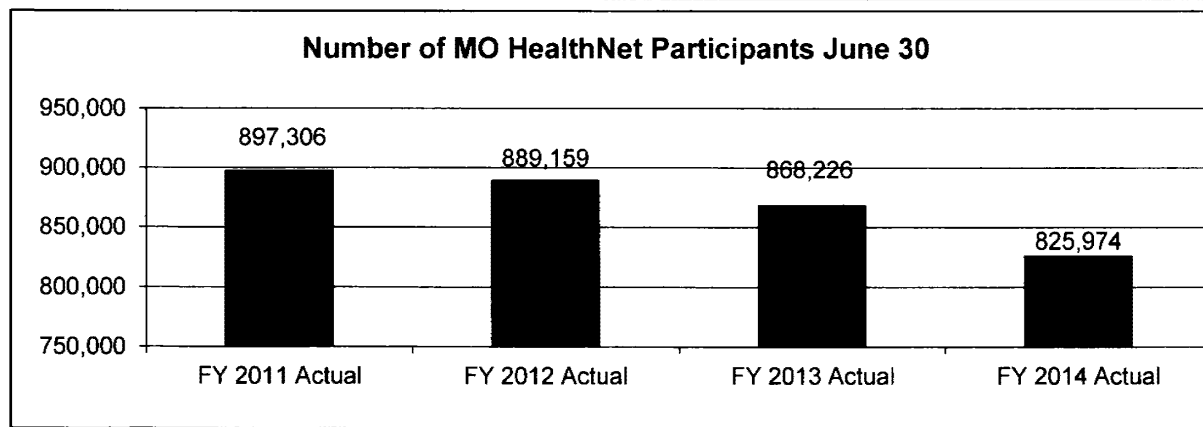
**7a. Provide an effectiveness measure.**

MO HealthNet Administration supports all division programs. Effectiveness measures can be found in Program sections.

**7b. Provide an efficiency measure.**

MO HealthNet Administration supports all division programs. Efficiency measures can be found in the Program sections.

**7c. Provide the number of clients/individuals served, if applicable.**



**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>CLINICAL SRVC MGMT</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	461,869	0.00	476,154	0.00	476,154	0.00	476,154		0.00
DEPT OF SOC SERV FEDERAL & OTH	12,078,827	0.00	12,214,032	0.00	12,214,032	0.00	12,214,032		0.00
THIRD PARTY LIABILITY COLLECT	823,775	0.00	924,911	0.00	924,911	0.00	924,911		0.00
MISSOURI RX PLAN FUND	596,059	0.00	4,160,595	0.00	1,560,595	0.00	1,560,595		0.00
TOTAL - EE	13,960,530	0.00	17,775,692	0.00	15,175,692	0.00	15,175,692		0.00
<b>TOTAL</b>	<b>13,960,530</b>	<b>0.00</b>	<b>17,775,692</b>	<b>0.00</b>	<b>15,175,692</b>	<b>0.00</b>	<b>15,175,692</b>		<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$13,960,530</b>	<b>0.00</b>	<b>\$17,775,692</b>	<b>0.00</b>	<b>\$15,175,692</b>	<b>0.00</b>	<b>\$15,175,692</b>		<b>0.00</b>

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## CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Clinical Services Program Management

Budget Unit: 90516C

### 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE	476,154	12,214,032	2,485,506	15,175,692
PSD				
TRF				
<b>Total</b>	<b>476,154</b>	<b>12,214,032</b>	<b>2,485,506</b>	<b>15,175,692</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Third Party Liability Collections (TPL) (0120)  
 MO Rx Plan Fund (0779)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE	476,154	12,214,032	2,485,506	15,175,692
PSD				
TRF				
<b>Total</b>	<b>476,154</b>	<b>12,214,032</b>	<b>2,485,506</b>	<b>15,175,692</b>
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Third Party Liability Collections (TPL) (0120)  
 MO Rx Plan Fund (0779)

### 2. CORE DESCRIPTION

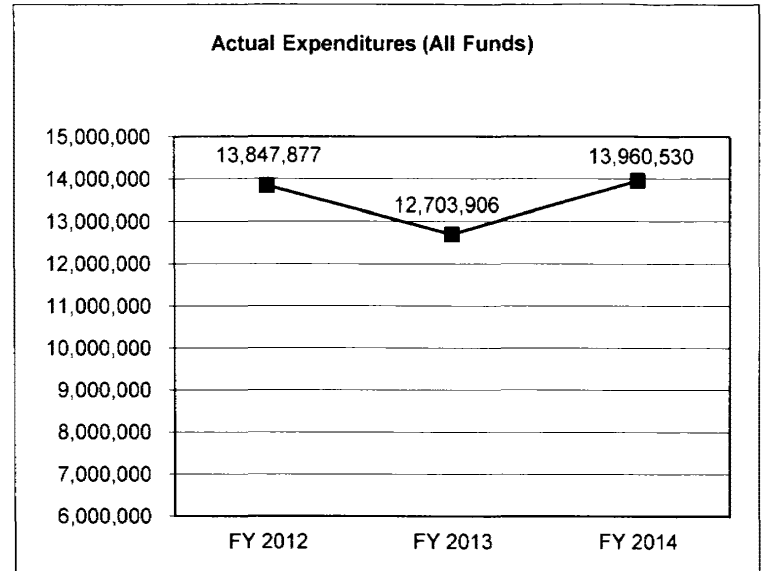
This core request is for contractor costs that support the Pharmacy and Clinical Services programs. Funding is used for cost containment initiatives and clinical policy decision-making to enhance efforts to provide appropriate and quality medical care to participants. MO HealthNet Division seeks to aid participants and providers in their efforts to access the MO HealthNet program by utilizing contractor resources effectively.

### 3. PROGRAM LISTING (list programs included in this core funding)

Clinical Services Program Management  
 Missouri Rx Program

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	17,785,006	17,784,931	17,775,692	17,775,692
Less Reverted (All Funds)	(14,517)	(14,517)	(14,285)	N/A
Budget Authority (All Funds)	17,770,489	17,770,414	17,761,407	N/A
Actual Expenditures (All Funds)	13,847,877	12,703,906	13,960,530	N/A
Unexpended (All Funds)	3,922,612	5,066,508	3,800,877	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	339,768	1,040,130	135,205	N/A
Other	3,582,845	4,026,379	3,665,672	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) FY12 Agency Reserves of \$2,735,206; \$135,206 in Federal and \$2,600,000 in Mo Rx Plan funds.

(2) FY13 Agency Reserves of \$2,735,206; \$135,206 in Federal and \$2,600,000 in Mo Rx Plan funds.

(3) FY14 Agency Reserves of \$2,735,206; \$135,206 in Federal and \$2,600,000 in Mo Rx Plan funds.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**CLINICAL SRVC MGMT**

**5. CORE RECONCILIATION DETAIL**

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>								
	EE		0.00	476,154	12,214,032	5,085,506	17,775,692	
	<b>Total</b>		<b>0.00</b>	<b>476,154</b>	<b>12,214,032</b>	<b>5,085,506</b>	<b>17,775,692</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>								
Core Reduction	933 2036	EE	0.00	0	0	(2,600,000)	(2,600,000)	Core reduction of MO RX Fund in excess of what is required to administer the program.
<b>NET DEPARTMENT CHANGES</b>			<b>0.00</b>	<b>0</b>	<b>0</b>	<b>(2,600,000)</b>	<b>(2,600,000)</b>	
<b>DEPARTMENT CORE REQUEST</b>								
	EE		0.00	476,154	12,214,032	2,485,506	15,175,692	
	PD		0.00	0	0	0	0	
	<b>Total</b>		<b>0.00</b>	<b>476,154</b>	<b>12,214,032</b>	<b>2,485,506</b>	<b>15,175,692</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
	EE		0.00	476,154	12,214,032	2,485,506	15,175,692	
	PD		0.00	0	0	0	0	
	<b>Total</b>		<b>0.00</b>	<b>476,154</b>	<b>12,214,032</b>	<b>2,485,506</b>	<b>15,175,692</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CLINICAL SRVC MGMT</b>								
<b>CORE</b>								
TRAVEL, IN-STATE	14,108	0.00	10,859	0.00	10,859	0.00	10,859	0.00
TRAVEL, OUT-OF-STATE	2,268	0.00	244	0.00	0	0.00	0	0.00
SUPPLIES	341,738	0.00	422,601	0.00	422,601	0.00	422,601	0.00
PROFESSIONAL DEVELOPMENT	2,788	0.00	1,000	0.00	1,000	0.00	1,000	0.00
COMMUNICATION SERV & SUPP	91,690	0.00	87,497	0.00	91,996	0.00	91,996	0.00
PROFESSIONAL SERVICES	13,482,751	0.00	17,212,639	0.00	14,596,173	0.00	14,596,173	0.00
M&R SERVICES	17,412	0.00	25,500	0.00	33,131	0.00	33,131	0.00
OFFICE EQUIPMENT	4,480	0.00	0	0.00	4,500	0.00	4,500	0.00
OTHER EQUIPMENT	590	0.00	7,000	0.00	7,000	0.00	7,000	0.00
PROPERTY & IMPROVEMENTS	0	0.00	250	0.00	250	0.00	250	0.00
BUILDING LEASE PAYMENTS	1,110	0.00	1,402	0.00	1,402	0.00	1,402	0.00
MISCELLANEOUS EXPENSES	1,595	0.00	6,700	0.00	6,780	0.00	6,780	0.00
TOTAL - EE	13,960,530	0.00	17,775,692	0.00	15,175,692	0.00	15,175,692	0.00
<b>GRAND TOTAL</b>	<b>\$13,960,530</b>	<b>0.00</b>	<b>\$17,775,692</b>	<b>0.00</b>	<b>\$15,175,692</b>	<b>0.00</b>	<b>\$15,175,692</b>	<b>0.00</b>
GENERAL REVENUE	\$461,869	0.00	\$476,154	0.00	\$476,154	0.00	\$476,154	0.00
FEDERAL FUNDS	\$12,078,827	0.00	\$12,214,032	0.00	\$12,214,032	0.00	\$12,214,032	0.00
OTHER FUNDS	\$1,419,834	0.00	\$5,085,506	0.00	\$2,485,506	0.00	\$2,485,506	0.00



## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Clinical Services Program Management**

**Program is found in the following core budget(s): Clinical Services Program Management**

### 1. What does this program do?

The funding for Clinical Services Program Management supports contractor costs for Pharmacy and Clinical Services.

#### Pharmacy

Through the Pharmacy Program, the Division is able to maintain current cost containment initiatives and implement new cost containment initiatives. Major initiatives include:

- Help Desk Staffing
- Quarterly Updates to the Missouri Maximum Allowable Cost (MACs)
- Maintenance and Updates to Fiscal and Clinical Edits
- Prospective and Retrospective Drug Use Review (DUR)
- Routine/Adhoc Drug Information Research
- Enrollment and Administration of Case Management
- Preferred Drug List (PDL) and Supplemental Rebates

These initiatives, along with other cost containment activities, have resulted in pharmacy costs that trend significantly lower than the national trend over the past few years.

#### Clinical

Major Clinical Services initiatives include:

- Psychology and Medical Help Desk Staffing
- Smart Prior Authorization (PA) for Durable Medical Equipment (DME), including Dental and Optometry
- Major Medical PA, including Imaging
- Medical Evidence - Oregon Contract

#### CyberAccess<sup>SM</sup>

CyberAccess<sup>SM</sup> is an Electronic Health Record (EHR) program for MO HealthNet participants which is available to their healthcare providers. The Web-based tool, called CyberAccess, allows physicians to prescribe electronically, view diagnosis data, receive alerts, select appropriate preferred medications, and electronically request drug and medical prior authorizations for their MO HealthNet patients. The continued funding for CyberAccess is critical to continue to support the pharmacy and medical cost containment initiatives and electronic health records. EPSDT forms and patient specific lab results are currently available. Linkages to other health record systems yielding interoperability between systems is under development (Health Information Network). A companion participant web portal tool, Direct Inform, has been developed and has been deployed to pilot providers.

The section is responsible for program development and clinical policy decision-making for MO HealthNet, with these activities oriented to the health and continuum of care needed by MO HealthNet participants. Policy development, benefit design and coverage decisions are made by the unit using best practices and evidence-based medicine.

In July 2010, the MO HealthNet Division (MHD), in conjunction with Xerox (formerly ACS-Heritage) and MedSolutions (MSI), implemented a new quality-based Radiology Benefit Management Program (RBM). The RBM is an expansion of the existing pre-certification process currently being used for MRIs and CTs of the brain, head, chest and spine. The RBM works to determine clinical appropriateness of the usage of high-tech radiology services, and provides guidelines for application and use based on expert information and evidence-based data. Pre-certification requests are handled using robust clinical guidelines. These guidelines will be used to ensure the appropriate scope, complexity and clinical need of the tests that will be performed.

The MHD and Department of Health and Senior Services (DHSS), Division of Senior and Disability Services (DSDS) have implemented a single integrated web-based instrument for entering, tracking and approving Home and Community Based Services (HCBS) requests and follow-up data. The new electronic tool (a component of CyberAccess) allows more consistent service authorization and delivery to clients with varying needs. The tool is based on a real-time interface with paid Medicaid claims data to allow automated and transparent processing of requests for services. All HCBS clients are assessed for services using the same tool, employing a rules-based engine to establish the client's level of care based on the need. The current points-based system is translated into algorithms whereby responses to requested information automatically calculate a point score and generate a service plan.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.201; Federal law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

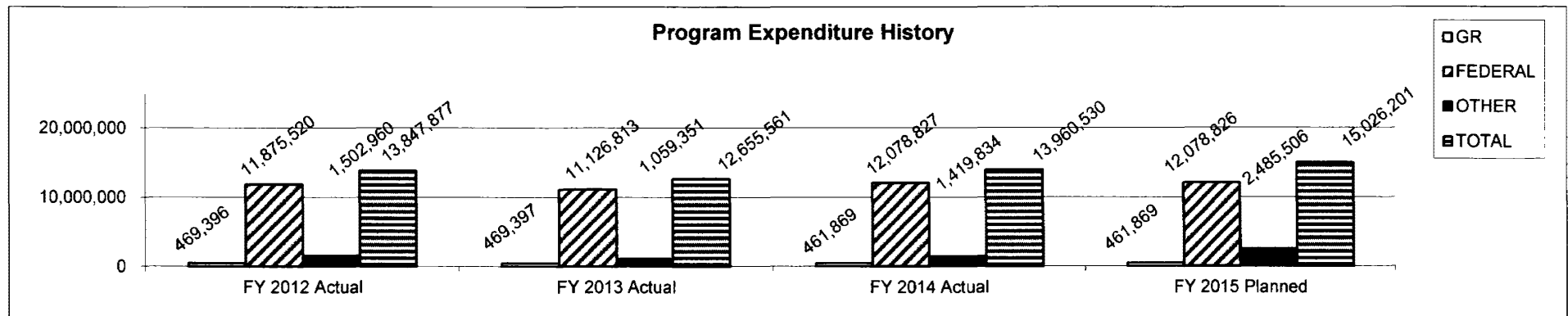
**3. Are there federal matching requirements? If yes, please explain.**

Generally, MO HealthNet administrative expenditures earn a 50% federal match. The Clinical Management Services for Pharmacy and Prior Authorization is matched at 75%.

**4. Is this a federally mandated program? If yes, please explain.**

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

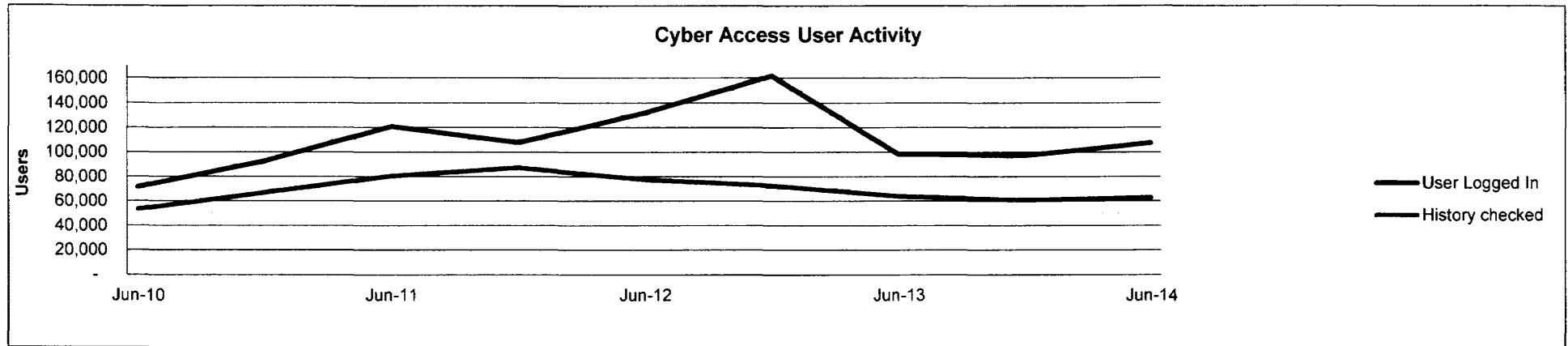


FY 2015 planned is net of reverted and reserved. Reverted: \$14,285 GR  
Reserve: \$2,735,206 Federal and Other Funds

**6. What are the sources of the "Other " funds?**

FY 2010-FY 2011: Third Party Liability Collections Fund (0120), Health Care Technology (0170) and Missouri Rx Plan Fund (0779).

FY 2012-FY 2014: Third Party Liability Fund (0120) and Missouri Rx Plan Fund (0779)

**7a. Provide an effectiveness measure.****7b. Provide an efficiency measure.**

N/A

**7c. Provide the number of clients/individuals served, if applicable.**

Number of Pharmacy Claims		
SFY	Projected	Actual
2012	13.2 mil	13.2 mil
2013	13.5 mil	13.0 mil
2014	12.9 mil	12.5 mil
2015	12.5 mil	
2016	12.5 mil	
2017	12.5 mil	

Source: MMIS Pharmacy Reimbursement Allowance Report

**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>WOMEN &amp; MINORITY OUTREACH</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	529,741	0.00	546,125	0.00	546,125	0.00	546,125	0.00	0.00
DEPT OF SOC SERV FEDERAL & OTH	546,125	0.00	568,625	0.00	568,625	0.00	568,625	0.00	0.00
TOTAL - EE	1,075,866	0.00	1,114,750	0.00	1,114,750	0.00	1,114,750	0.00	0.00
TOTAL	1,075,866	0.00	1,114,750	0.00	1,114,750	0.00	1,114,750	0.00	0.00
GRAND TOTAL	\$1,075,866	0.00	\$1,114,750	0.00	\$1,114,750	0.00	\$1,114,750	0.00	0.00

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lm\_disummary

# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Women & Minority Health Care Outreach

Budget Unit: 90513C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE	546,125	568,625		1,114,750
PSD				
TRF				
Total	546,125	568,625		1,114,750
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE	546,125	568,625		1,114,750
PSD				
TRF				
Total	546,125	568,625	0	1,114,750
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

## 2. CORE DESCRIPTION

This core request is for the continued funding of the Women and Minority Health Care Outreach programs. These programs provide client outreach and education about the MO HealthNet program and reduce disparities in healthcare access for women and minority populations.

## 3. PROGRAM LISTING (list programs included in this core funding)

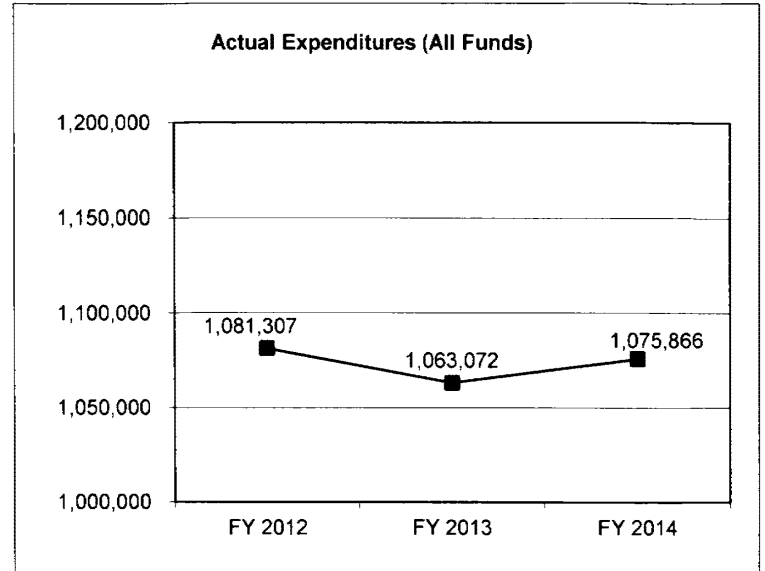
Women and Minority Health Care Outreach Program

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	1,114,750	1,114,750	1,114,750	1,114,750
Less Reverted (All Funds)	(16,384)	(16,384)	(16,384)	N/A
Budget Authority (All Funds)	1,098,366	1,098,366	1,098,366	N/A
Actual Expenditures (All Funds)	1,081,307	1,063,072	1,075,866	N/A
Unexpended (All Funds)	17,059	35,294	22,500	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	17,059	35,294	22,500	N/A
Other	0	0	0	N/A

(1)

(2)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

(1) FY13 Agency Reserve of \$22,500 due to match rate

(2) FY14 Agency Reserve of \$22,500 due to match rate

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****WOMEN & MINORITY OUTREACH**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<hr/>							
<b>TAFP AFTER VETOES</b>	EE	0.00	546,125	568,625	0	1,114,750	
	<b>Total</b>	<b>0.00</b>	<b>546,125</b>	<b>568,625</b>	<b>0</b>	<b>1,114,750</b>	
<hr/>							
<b>DEPARTMENT CORE REQUEST</b>	EE	0.00	546,125	568,625	0	1,114,750	
	<b>Total</b>	<b>0.00</b>	<b>546,125</b>	<b>568,625</b>	<b>0</b>	<b>1,114,750</b>	
<hr/>							
<b>GOVERNOR'S RECOMMENDED CORE</b>	EE	0.00	546,125	568,625	0	1,114,750	
	<b>Total</b>	<b>0.00</b>	<b>546,125</b>	<b>568,625</b>	<b>0</b>	<b>1,114,750</b>	
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# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN &amp; MINORITY OUTREACH</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	1,075,866	0.00	1,114,750	0.00	1,114,750	0.00	1,114,750	0.00
TOTAL - EE	1,075,866	0.00	1,114,750	0.00	1,114,750	0.00	1,114,750	0.00
<b>GRAND TOTAL</b>	<b>\$1,075,866</b>	<b>0.00</b>	<b>\$1,114,750</b>	<b>0.00</b>	<b>\$1,114,750</b>	<b>0.00</b>	<b>\$1,114,750</b>	<b>0.00</b>
GENERAL REVENUE	\$529,741	0.00	\$546,125	0.00	\$546,125	0.00	\$546,125	0.00
FEDERAL FUNDS	\$546,125	0.00	\$568,625	0.00	\$568,625	0.00	\$568,625	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Women and Minority Health Care Outreach**

**Program is found in the following core budget(s): Women and Minority Health Care Outreach**

### **1. What does this program do?**

The health of Missouri's citizens is critical to the well-being of the state. Without proper health care, Missouri citizens will be less productive and more costly to the state. The purpose of the MO HealthNet program is to finance, monitor and assure the health coverage of traditionally vulnerable populations. The funding in this appropriation provides outreach services in St. Louis, Columbia, Jefferson City, Springfield, the Bootheel, and the Kansas City Region targeted at African-American men and women at risk of diabetes, cardiovascular disease, HIV/AIDS, sexually transmitted diseases (STDs), and other life-threatening health conditions. The outreach programs also provide client outreach and education about the MO HealthNet program.

The Department of Social Services has contracted with the Missouri Primary Care Association to act as a fiscal intermediary for the distribution of the Minority and Women's Health Outreach funding, assuring accurate and timely payments to the subcontractors and to act as a central data collection point for evaluation of program impact and outcomes. The Missouri Primary Care Association is recognized as Missouri's single primary care association by the federal Health Resource Service Administration. The goals of the nation's Primary Care Associations are to partner in the development, maintenance and improvement of access to health care services, and to reduce disparities in health status between majority and minority populations.

This program was initiated in the fall of 1999 with five Federally-Qualified Health Centers (FQHCs) and has now expanded to twelve FQHCs in the St Louis, Kansas City, mid-Missouri, Southwest, and Bootheel regions. The outreach program builds on the strengths of the twelve FQHCs that are trusted, accessible sources of care for high-risk African-American populations, and the existence of natural leaders, often women, in African-American neighborhoods to provide outreach and education in their neighborhoods to encourage routine screenings for diabetes and cardiovascular disease and testing for HIV/AIDS and STDs. In the Bootheel area, the outreach program builds on the strengths of a FQHC and county hospital, using the Care-A-Van to reach at-risk persons in the largely rural area. Existing health promotion coalitions in the area, including the Bootheel's Heart Health Coalitions and the Missouri Health Alliance will also be used in outreach efforts. As part of the outreach program, workers identify eligible participants and help them enroll in the MO HealthNet program.

The current contractor is Missouri Primary Care Association. The contractor is paid for allowable costs related to establishing and implementing outreach programs not to exceed the appropriation cap.

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.201; Federal law: Social Security Act Section 1903(a); Federal Regulations: 42 CFR, Part 433.15

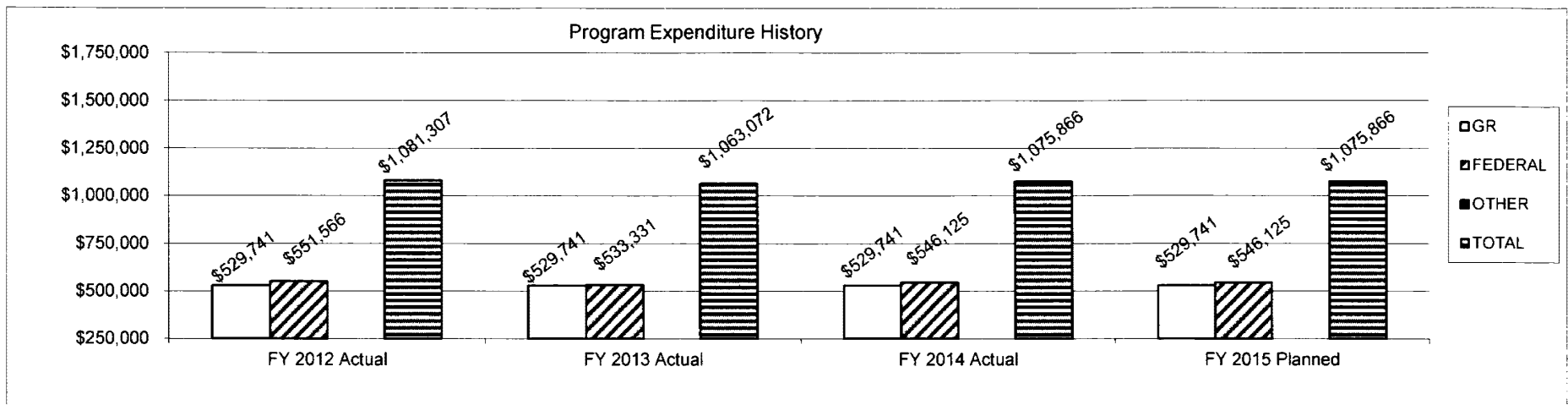
### **3. Are there federal matching requirements? If yes, please explain.**

General Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding.

### **4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



FY 2015 Planned is a net of reverted and reserves. Reverted: \$16,384 General Revenue; Reserve: \$22,500 Federal Funds

**6. What are the sources of the "Other" funds?**

N/A

**7a. Provide an effectiveness measure.**

N/A

**7b. Provide an efficiency measure.**

FQHCs and Regional Health Centers (RHCs) in underserved areas provide greater access to health care services for women and minorities as well as serve as outreach centers to assist individuals in applying for MO HealthNet services.

Number of Users of FQHCs and RHCs for Primary Care		
SFY	Projected	Actual
2012	123,011	133,965
2013	121,000	137,290
2014	140,000	106,973
2015	120,000	
2016	120,000	
2017	120,000	

Number of Users Receiving Assistance from FQHCs and RHCs in Applying for MO HealthNet		
SFY	Projected	Actual
2012	14,117	14,369
2013	15,000	13,645
2014	15,000	13,679
2015	15,000	
2016	15,000	
2017	15,000	

**7c. Provide the number of clients/individuals served, if applicable.**

N/A

**7d. Provide a customer satisfaction measure, if available.**

N/A



## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>TPL CONTRACTS</b>									
<b>CORE</b>									
<b>EXPENSE &amp; EQUIPMENT</b>									
DEPT OF SOC SERV FEDERAL & OTH	1,736,955	0.00	3,000,000	0.00	3,000,000	0.00	3,000,000	0.00	0.00
THIRD PARTY LIABILITY COLLECT	1,736,955	0.00	3,000,000	0.00	3,000,000	0.00	3,000,000	0.00	0.00
TOTAL - EE	3,473,910	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00	0.00
TOTAL	3,473,910	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00	0.00
GRAND TOTAL	\$3,473,910	0.00	\$6,000,000	0.00	\$6,000,000	0.00	\$6,000,000	0.00	0.00

# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Third Party Liability (TPL) Contracts

Budget Unit: 90515C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE		3,000,000	3,000,000	6,000,000
PSD				
TRF				
Total		3,000,000	3,000,000	6,000,000
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Third Party Liability Collections Fund (TPL) (0120)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE		3,000,000	3,000,000	6,000,000
PSD				
TRF				
Total		3,000,000	3,000,000	6,000,000
FTE				

<b>Est. Fringe</b>				
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Third Party Liability Collections Fund (TPL) (0120)

## 2. CORE DESCRIPTION

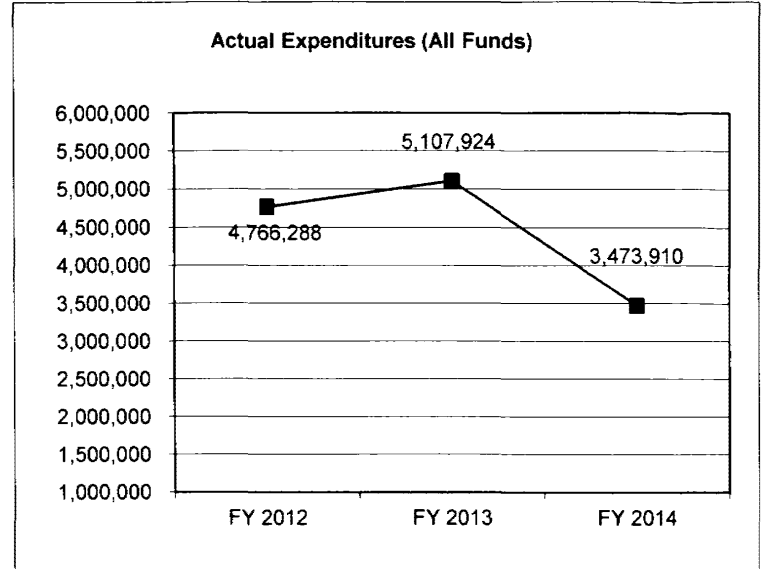
This core request is for the continued funding of contracted third party liability (TPL) recovery activities. TPL functions are performed by agency staff in the TPL Unit and by a contractor. This core appropriation is Expense and Equipment funding and is the source of payments to the contractor who works with the agency on TPL recovery activities.

## 3. PROGRAM LISTING (list programs included in this core funding)

Third Party Liability Contracts

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	5,414,000	6,000,000	6,000,000	6,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	5,414,000	6,000,000	6,000,000	N/A
Actual Expenditures (All Funds)	4,766,288	5,107,924	3,473,910	N/A
Unexpended (All Funds)	647,712	892,076	2,526,090	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	323,856	446,038	1,263,045	N/A
Other	323,856	446,038	1,263,045	N/A
	(1)	(2)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY12 "E" increase of \$2,414,000 for Federal and Third Party Liability.

(2) FY13 Prior to FY 2013, this was an estimated ("E") appropriation.



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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****TPL CONTRACTS**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>	EE	0.00	0	3,000,000	3,000,000	6,000,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>6,000,000</b>	
<b>DEPARTMENT CORE REQUEST</b>	EE	0.00	0	3,000,000	3,000,000	6,000,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>6,000,000</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>	EE	0.00	0	3,000,000	3,000,000	6,000,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>6,000,000</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>TPL CONTRACTS</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	3,473,910	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
TOTAL - EE	3,473,910	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
<b>GRAND TOTAL</b>	<b>\$3,473,910</b>	<b>0.00</b>	<b>\$6,000,000</b>	<b>0.00</b>	<b>\$6,000,000</b>	<b>0.00</b>	<b>\$6,000,000</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$1,736,955	0.00	\$3,000,000	0.00	\$3,000,000	0.00	\$3,000,000	0.00
OTHER FUNDS	\$1,736,955	0.00	\$3,000,000	0.00	\$3,000,000	0.00	\$3,000,000	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Third Party Liability (TPL) Contracts**

**Program is found in the following core budget(s): Third Party Liability (TPL) Contracts**

### 1. What does this program do?

The Third Party Liability (TPL) program is responsible for cost recovery and cost avoidance of MO HealthNet expenditures. By identifying other insurance carriers, MO HealthNet is able to cost avoid or recover costs already incurred. The MO HealthNet program seeks recovery from third-party sources when liability at the time of service had not yet been determined, when the third-party source was not known at the time of MO HealthNet payment, and for services that are federally mandated to be paid and then pursued. TPL functions are performed by agency staff in the TPL Unit and by a contractor. The TPL Contracts appropriation allows for payment to the contractor who works with the agency on TPL recovery and cost avoidance activities. The contractor is paid for its recovery services through a contingency contract rate for cash recoveries of 10% for the first \$10 million recovered and then 8% for any recoveries over \$10 million, which resets annually. There is also a per member per month (PMPM) rate of \$.165 for the cost avoidance services. The TPL program accounted for more than \$287.1 million in savings for the MO HealthNet program in FY 14 by cost avoiding claims and recovering MO HealthNet funds. Health Plans in the MO HealthNet Managed Care program are responsible for the TPL activities related to plan enrollees.

Historically, the contractor is successful in areas of recovery that the state is unable to pursue due to staff and computer system limitations, for instance, in Health Insurance Recovery. When the retroactive cash recovery benefit is exhausted, these recovery areas are converted to cost avoidance mechanisms and transferred to the state MMIS claims processing system. The contractor has the advantage of automation to increase TPL recoveries. Information stored in the data base includes participant eligibility, insurance carrier, billing addresses, insurance coverage, and other reference information necessary for automated billing. The TPL Unit and the contractor share responsibility for maintaining and updating the data, as well as conducting manual operations that continue to be a part of the recovery program.

Even though some responsibilities are shared, the TPL Unit and the contractor each perform specific cost saving and recovery activities. The TPL Unit concentrates on asserting liens on settlements of trauma-related incidents (which include personal injury, product liability, wrongful death, malpractice, workers' compensation, and traffic accidents). The TPL Unit also files claims for recovery of MO HealthNet expenditures in estate cases, Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) cases, on the personal funds accounts of deceased nursing home residents, and on any excess funds from irrevocable burial plans. For cost avoidance, the TPL Unit operates the Health Insurance Premium Payment (HIPP) Program and maintains the TPL data base where participant insurance information is stored. The contractor focuses on bulk billings to insurance carriers and other third parties and data matches to identify potential third parties. The following list itemizes the activities performed by the contractor as compared to those performed by the TPL Unit staff, and is followed by descriptions of the primary TPL programs.

#### TASKS PERFORMED BY THE CONTRACTOR

- Health insurance billing and follow-up;
- Data matches and associated billing (Tricare, MCHCP, and other insurance carriers such as BCBS, United Healthcare and Aetna);
- Provide TPL information for state files;
- Post Accounts Receivable data to state A/R system; and
- Maintain insurance billing files.

The current contractor is Health Management Systems (HMS). The contractor is paid for services on a contingency basis for recovery activities and a PMPM basis for cost avoidance activities through a portion of cash recoveries.

#### TASKS PERFORMED BY STATE TPL STAFF

- Liens, updates and follow-up on Trauma cases;
- Identify and follow-up on all Estate cases;
- Identify, file and follow-up on TEFRA liens;
- Identify and follow-up on Personal Funds cases;
- Recover any excess funds from irrevocable burial plans;
- Operate HIPP program;
- Post recoveries to Accounts Receivable systems;
- Maintain state TPL databases;
- Verify leads through MMIS contract; and
- Contract oversight.

HIPP Program - The objective of the Health Insurance Premium Payment Program (HIPP) is to identify and pay for employer-sponsored insurance policies for MO HealthNet participants to maximize MO HealthNet monies by shifting medical costs to private insurers and exhausting all third party resources before utilizing MO HealthNet.

Trauma Settlement Recovery - The objective is to identify potentially liable third parties and to assert liens on litigation settlements to ensure maximum recovery of MO HealthNet expenditures. Each identification is researched to determine if pursuit is cost effective or even possible.

Personal Funds Recovery - The objective of this program is to identify Personal Funds Account Balances of deceased MO HealthNet participants who lived in nursing facilities and recover MO HealthNet expenditures made on behalf of those participants. Nursing facilities are required to pay MO HealthNet within sixty (60) days from the date of death (Section 198.090(7), RSMo).

Burial Plans Recovery - The objective of this program is to recover MO HealthNet expenditures from any excess funds from irrevocable burial plans. Burial lots and irrevocable burial contracts are exempt from consideration in determining MO HealthNet eligibility (Section 208.010, RSMo). The law also provides that if there are excess funds from irrevocable burial plans, the state should recover the excess up to the amount of public assistance benefits provided to the participant.

Estate Recovery - In this program, expenditures are recovered through identification and filing of claims on estates of deceased MO HealthNet participants. Data matches are coordinated with the Department of Health and Senior Services' Vital Statistics, Family Support Division's county offices' staff and cooperation of other public and private groups. When cases are established, staff verify expenditure documentation and assemble data for evidence. The TPL staff appear in court to testify on behalf of the state and explain MO HealthNet policies and procedures.

TEFRA Liens - The Tax Equity and Fiscal Responsibility Act of 1982 authorizes the MO HealthNet program to file a lien as a claim against the real property of certain MO HealthNet participants. The TEFRA lien is for the debt due the state for medical assistance paid or to be paid on behalf of MO HealthNet.

#### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State: RSMo. 198.090, 208.010, 208.153, 208.215, 473.398, 473.399 and 13 CSR 70-4.120. Federal law: Social Security Act, Section 1902, 1903, 1906, 1912, 1917; Federal regulation: 42 CFR 433 Subpart D.

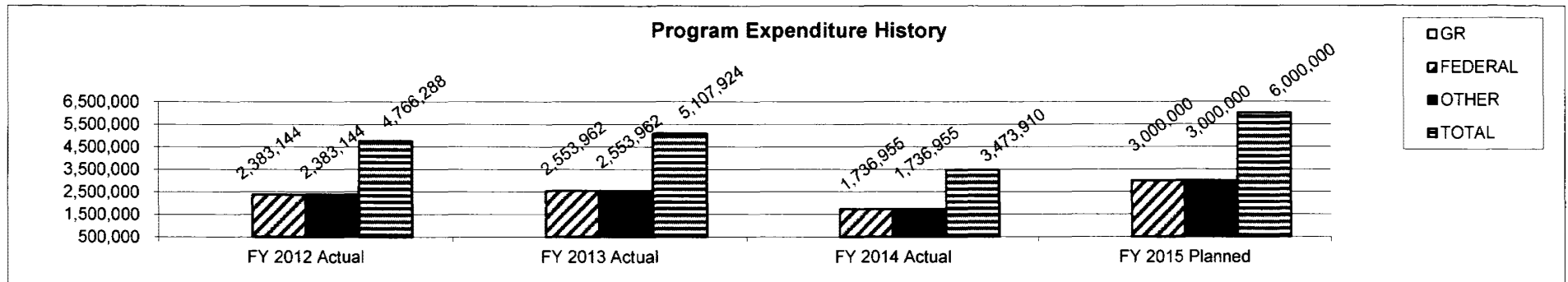
**3. Are there federal matching requirements? If yes, please explain.**

General Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding.

**4. Is this a federally mandated program? If yes, please explain.**

Yes, if cost effective. In order to not pursue a TPL claim, the agency must obtain a waiver from CMS by proving that a cost recovery effort is not cost effective.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

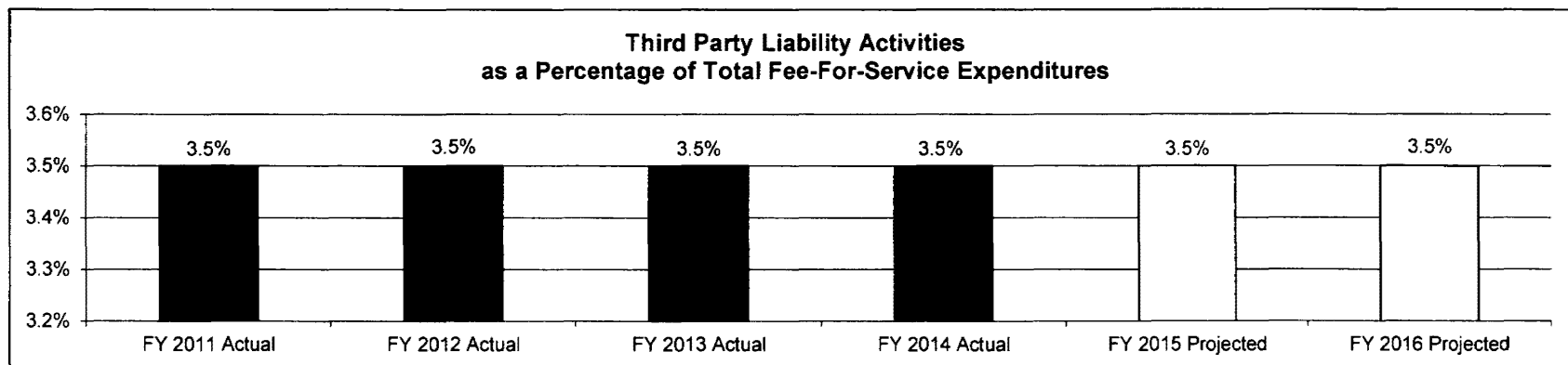


**6. What are the sources of the "Other " funds?**

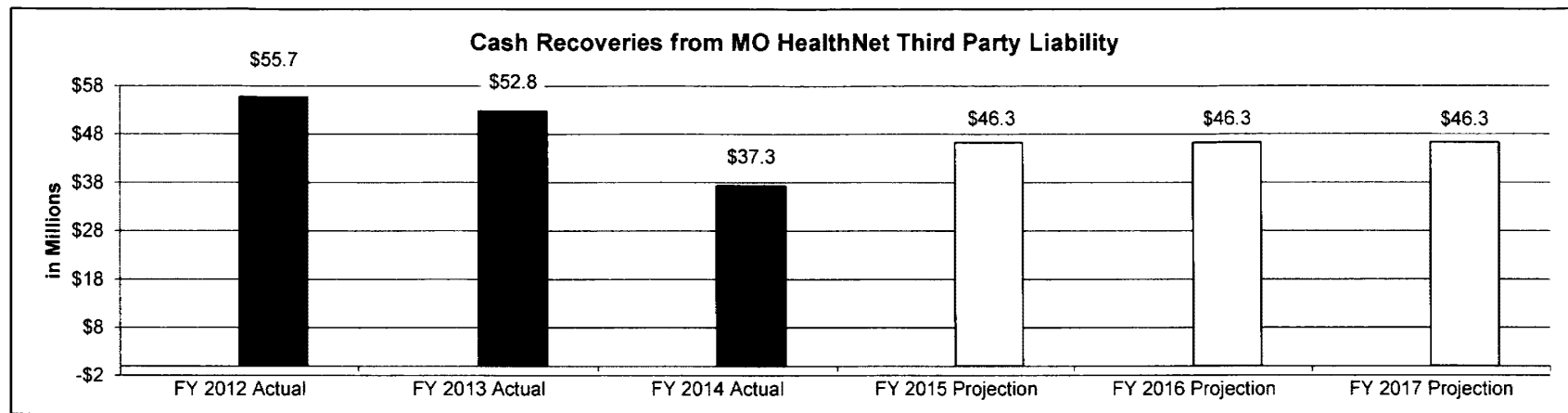
Third Party Liability Collections Fund (0120)

**7a. Provide an effectiveness measure.**

Effectiveness Measure: Third Party Liability (TPL) activities within the MO HealthNet Program ensure that liable third-party resources are being utilized as a primary source of payment in lieu of General Revenue. In state fiscal year 2014, TPL activities, including cost avoidance and cash recovery activities, saved 3.5% of total fee-for-service expenditures.



**7b. Provide an efficiency measure.**



Cash Recoveries by Contractor		
SFY	Projected	Actual
2012	\$26.0 mil	\$34.6 mil
2013	\$30.0 mil	\$30.9 mil
2014	\$34.0 mil	\$15.2 mil
2015	\$25.0 mil	
2016	\$25.0 mil	
2017	\$25.0 mil	

Cash Recoveries by MHD Staff		
SFY	Projected	Actual
2012	\$22.5 mil	\$21.1 mil
2013	\$22.5 mil	\$21.9 mil
2014	\$22.0 mil	\$22.1 mil
2015	\$21.3 mil	
2016	\$21.3 mil	
2017	\$21.3 mil	

MHD is enhancing efforts to obtain timely health insurance carrier information on a proactive basis for MO HealthNet participants to ensure that third party resources are utilized as a primary source of payment in lieu of taxpayer dollars. MHD contracts with a vendor to perform health insurance recoveries and cost avoidance activities. As MHD shifts its focus to cost avoidance, the trend for health insurance cash recoveries will even out or eventually reflect a decrease.

Actual cash recoveries for all other areas of third party recoveries have shown a decrease over the last few years due to several developments. Medicare providers are performing on-line adjustments rather than submitting reimbursement by check. Cash recoveries for the Estate Program have decreased due to the expanded definition of "estate" not being in statute; a court decision regarding spousal recovery; and the elimination of recovery of Medicare Part B premiums on or after the date of January 1, 2010. Trauma and casualty tort recoveries have decreased as a result of the Ahlborn class action decision in 2006.

**7c. Provide the number of clients/individuals served, if applicable.**

N/A

**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>INFORMATION SYSTEMS</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	4,693,772	0.00	4,838,940	0.00	4,838,940	0.00	4,838,940	0.00	
DEPT OF SOC SERV FEDERAL & OTH	36,992,732	0.00	32,880,170	0.00	32,880,170	0.00	32,880,170	0.00	
UNCOMPENSATED CARE FUND	395,819	0.00	0	0.00	0	0.00	0	0.00	
HEALTH INITIATIVES	1,543,936	0.00	0	0.00	0	0.00	0	0.00	
TOTAL - EE	43,626,259	0.00	37,719,110	0.00	37,719,110	0.00	37,719,110	0.00	
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	875,000	0.00	875,000	0.00	875,000	0.00	
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	10,820,180	0.00	10,820,180	0.00	10,820,180	0.00	
UNCOMPENSATED CARE FUND	0	0.00	430,000	0.00	430,000	0.00	430,000	0.00	
HEALTH INITIATIVES	0	0.00	1,591,687	0.00	1,591,687	0.00	1,591,687	0.00	
TOTAL - PD	0	0.00	13,716,867	0.00	13,716,867	0.00	13,716,867	0.00	
<b>TOTAL</b>	<b>43,626,259</b>	<b>0.00</b>	<b>51,435,977</b>	<b>0.00</b>	<b>51,435,977</b>	<b>0.00</b>	<b>51,435,977</b>	<b>0.00</b>	
<b>Sustaining MO HealthNet Tech - 1886015</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	0	0.00	0	0.00	2,050,000	0.00	2,050,000	0.00	
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	13,050,000	0.00	13,050,000	0.00	
TOTAL - EE	0	0.00	0	0.00	15,100,000	0.00	15,100,000	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>15,100,000</b>	<b>0.00</b>	<b>15,100,000</b>	<b>0.00</b>	
<b>Enterprise EHR - 1886029</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	0	0.00	0	0.00	150,000	0.00	150,000	0.00	
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	1,350,000	0.00	1,350,000	0.00	
TOTAL - EE	0	0.00	0	0.00	1,500,000	0.00	1,500,000	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,500,000</b>	<b>0.00</b>	<b>1,500,000</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$43,626,259</b>	<b>0.00</b>	<b>\$51,435,977</b>	<b>0.00</b>	<b>\$68,035,977</b>	<b>0.00</b>	<b>\$68,035,977</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Information Systems

Budget Unit: 90522C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE	4,838,940	32,880,170		37,719,110
PSD	875,000	10,820,180	2,021,687	13,716,867
TRF				
Total	5,713,940	43,700,350	2,021,687	51,435,977

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (0108)  
Health Initiatives Fund (0275)

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	4,838,940	32,880,170		37,719,110
PSD	875,000	10,820,180	2,021,687	13,716,867
TRF				
Total	5,713,940	43,700,350	2,021,687	51,435,977

FTE

Est. Fringe				
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (0108)  
Health Initiatives Fund (0275)

## 2. CORE DESCRIPTION

This core request is for the continued funding of MO HealthNet's Information Systems (IS). Core funding is used to pay for the Medicaid Management Information Systems (MMIS) contract. The MMIS contractor processes fee-for-service claims, managed care encounter data and provides enrollment broker services.

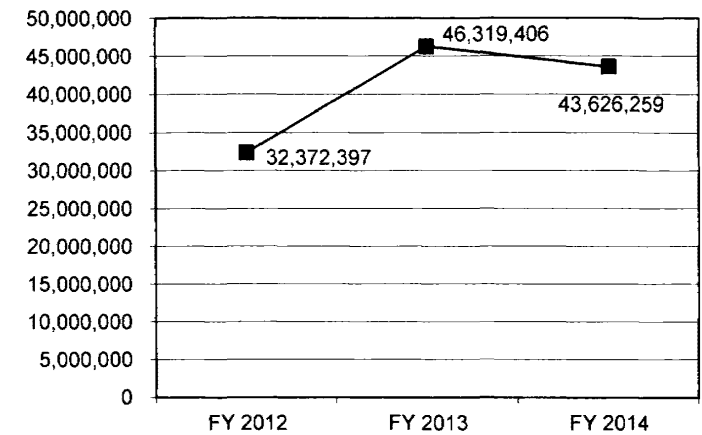
## 3. PROGRAM LISTING (list programs included in this core funding)

Information Systems

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	37,719,110	52,919,110	46,435,977	51,435,977
Less Reverted (All Funds)	(145,168)	(190,618)	(192,919)	N/A
Budget Authority (All Funds)	37,573,942	52,728,492	46,243,058	N/A
Actual Expenditures (All Funds)	32,372,397	46,319,406	43,626,259	N/A
Unexpended (All Funds)	5,201,545	6,409,086	2,616,799	N/A
Unexpended, by Fund:				
General Revenue	369,328	0	0	N/A
Federal	22,057,971	6,371,200	2,582,618	N/A
Other	1,725,595	37,885	34,181	N/A
	(1)	(2)	(3)	

Actual Expenditures (All Funds)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY12 Agency reserve of \$2,582,318 federal funds.

(2) FY13 Agency reserve of \$2,582,318 federal funds.

(3) FY14 Agency reserve of \$2,582,318 federal funds.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**INFORMATION SYSTEMS**

**5. CORE RECONCILIATION DETAIL**

	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	EE	0.00	4,838,940	32,880,170	0	37,719,110	
	PD	0.00	875,000	10,820,180	2,021,687	13,716,867	
	<b>Total</b>	<b>0.00</b>	<b>5,713,940</b>	<b>43,700,350</b>	<b>2,021,687</b>	<b>51,435,977</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	EE	0.00	4,838,940	32,880,170	0	37,719,110	
	PD	0.00	875,000	10,820,180	2,021,687	13,716,867	
	<b>Total</b>	<b>0.00</b>	<b>5,713,940</b>	<b>43,700,350</b>	<b>2,021,687</b>	<b>51,435,977</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	EE	0.00	4,838,940	32,880,170	0	37,719,110	
	PD	0.00	875,000	10,820,180	2,021,687	13,716,867	
	<b>Total</b>	<b>0.00</b>	<b>5,713,940</b>	<b>43,700,350</b>	<b>2,021,687</b>	<b>51,435,977</b>	

**DECISION ITEM DETAIL**

Budget Unit Decision Item Budget Object Class	FY 2014 ACTUAL DOLLAR	FY 2014 ACTUAL FTE	FY 2015 BUDGET DOLLAR	FY 2015 BUDGET FTE	FY 2016 DEPT REQ DOLLAR	FY 2016 DEPT REQ FTE	FY 2016 GOV REC DOLLAR	FY 2016 GOV REC FTE
<b>INFORMATION SYSTEMS</b>								
<b>CORE</b>								
COMMUNICATION SERV & SUPP	0	0.00	898	0.00	898	0.00	898	0.00
PROFESSIONAL SERVICES	43,626,259	0.00	36,802,112	0.00	37,718,212	0.00	37,718,212	0.00
M&R SERVICES	0	0.00	916,100	0.00	0	0.00	0	0.00
TOTAL - EE	43,626,259	0.00	37,719,110	0.00	37,719,110	0.00	37,719,110	0.00
PROGRAM DISTRIBUTIONS	0	0.00	13,716,867	0.00	13,716,867	0.00	13,716,867	0.00
TOTAL - PD	0	0.00	13,716,867	0.00	13,716,867	0.00	13,716,867	0.00
<b>GRAND TOTAL</b>	<b>\$43,626,259</b>	<b>0.00</b>	<b>\$51,435,977</b>	<b>0.00</b>	<b>\$51,435,977</b>	<b>0.00</b>	<b>\$51,435,977</b>	<b>0.00</b>
GENERAL REVENUE	\$4,693,772	0.00	\$5,713,940	0.00	\$5,713,940	0.00	\$5,713,940	0.00
FEDERAL FUNDS	\$36,992,732	0.00	\$43,700,350	0.00	\$43,700,350	0.00	\$43,700,350	0.00
OTHER FUNDS	\$1,939,755	0.00	\$2,021,687	0.00	\$2,021,687	0.00	\$2,021,687	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Information Systems**

**Program is found in the following core budget(s): Information Systems**

### 1. What does this program do?

The Information Systems (IS) program area includes the MMIS contract and the contract for the enrollment services for the MO HealthNet Managed Care Program. The primary function of Information Systems is to provide the tools and data needed to support administrative and financial decisions and to process fee-for-service claims and MO HealthNet Managed Care encounter data. IS focuses on the gathering, maintenance, analysis, and output of information and data related to claims and a multitude of claims-related interfaces. It is additionally responsible for providing the software and hardware support needed to measure, analyze, assess and manipulate this information in the process of decision making and formulating and testing new systems.

The State contracts with a private entity to operate the subsystems of the Medicaid Management Information System. The subsystems include Claims Processing, Management and Analysis Reporting, Surveillance and Utilization, Reference, Provider, Participant, Third Party Liability and Financial. In order to maintain quality management of MO HealthNet claims, the MO HealthNet Division requires the fiscal agent to:

- ♦ Maintain and enhance a highly automated MO HealthNet claims processing and information retrieval system.
- ♦ Process MO HealthNet claims involving over 45,000 providers of 68 different types, such as hospitals, physicians, dentists, ambulance service providers, nursing homes, therapists, hospices, and managed care health plans.
- ♦ Perform manual tasks associated with processing MO HealthNet claims, and to retrieve and produce utilization and management information that is required by the Division and/or various agencies within the federal government. For example, semi-annual utilization reports are generated for the Program Integrity unit to allow staff to detect and investigate over-utilization patterns and abuse. Third Party Liability (TPL) reports are produced that allow tracking of cost avoidance on claims and provide the capability to perform cost recovery functions.
- ♦ Provide capabilities and/or communications with the Department and the Division via on-line data links to facilitate transfers of data and monitoring of contract issues using menu driven reports and communications via electronic mail.
- ♦ Provide technical support to Managed Care health plans in the maintenance of data lines and the transfer of daily enrollment files and encounter data.

The MMIS is run on a mainframe computer system. There are approximately 35 programmers employed by the fiscal agent to maintain this system. The Interactive Voice Response (IVR) has the availability of approximately 70 incoming lines. The IVR hardware and software allows immediate access to eligibility, payment and claim status information.

The Imaging System allows document storage and retrieval along with a report repository. The fiscal agent supports a web application ([www.emomed.com](http://www.emomed.com)) that supports various provider functions such as claims data entry, send and receive files, electronic remittance advice along with real-time inquiries of claims, attachments, prior authorizations, eligibility and payment status.

The state began contracting out the MMIS in 1979. The latest MMIS contract began in FY2008 and was awarded to Infocrossing, Inc (now WIPRO). It consists of one year for takeover and transition, six years contracted for operations, and is renewable for three one-year extensions. This new MMIS contract includes seventeen (17) major enhancements scheduled to be implemented over the first few years of the contract period. The highlights of this re-engineering include a new relational database, a rules engine, and browser-based functionality.

Claims Processing: Claims processing changes with the two programs, the fee-for-service program versus MO HealthNet Managed Care. Under the fee-for-service program, claims are processed for payment to the provider. Services under MO HealthNet Managed Care, which are covered by the capitation payment, do not generate a claim. Whomever provides the service is reimbursed by a health plan. The service still results in involvement by IS through the processing of encounter claims. An encounter claim is the same as a regular claim in terms of the information processed such as patient identification, diagnosis and the service(s) provided; it is just not subject to payment. The federal government requires that encounter claims be submitted to the state agency. Encounter claims are transmitted by health plans to the fiscal agent where they are processed and the data is stored.

Managed Care Impact: MO HealthNet managed care increases the demand on Information Systems because of the need to interface with numerous different data processing systems. The MMIS system “talks” to the systems run by each of the three individual health plans that contract with the state for Managed Care. Success of the Managed Care program is data-driven. The agency needs encounter data from the health plans in order to set rates and see what services are being provided to agency clients, otherwise on-site audits of thousands of providers would be required. Resolving encounter data and other system problems with individual health plans is staff intensive.

Average claims processing time continues to decrease due to increased electronic claims processing and system improvements from 3.03 days in FY95 to .89 days in FY14.

Enrollment Broker: The enrollment broker is responsible for assisting MO HealthNet participants receiving health care benefits through a managed care arrangement in plan enrollment. Beginning September 1, 2014, the enrollment broker function transitioned to a new contract. The contractor is responsible 1) for assisting Missourians with the Medicaid application when the individual is applying online through the new eligibility and enrollment system and 2) with Managed Care enrollment processes, should the participant receive benefits through managed care. The intent is to streamline processes so that individuals can apply for Medicaid benefits, and if eligible, complete the managed care enrollment process at the same time. This ensures that Medicaid participants receive the appropriate level of care as expeditiously as possible. Once an individual is eligible for Medicaid benefits, only inquiries received on managed care enrollment will continue to be handled through the Contact Center. Other questions, correspondence or communication will be handled through the current call center or by FSD offices.

Emerging Issues: **ICD-10:** The ICD-10 code sets will replace the ICD-9 code sets currently used throughout the healthcare industry as diagnosis and inpatient hospital procedure codes. The ICD-10 code sets expand significantly on the existing ICD-9 code sets by adding thousands of new codes and by allowing for the encoding of a significant amount of additional data regarding a diagnosis and an inpatient procedure. The Centers for Medicare and Medicaid Services (CMS) will be issuing a rule requiring all State Medicaid Programs and their healthcare service providers to implement ICD-10 code sets October 1, 2015. MHD implemented these code sets in October 2013 for purposes of testing with providers. **CORE Operating Rules:** The Patient Protection and Affordable Care Act requires the implementation of operating rules related to the exchange of information with and provision of payment to healthcare service providers.

**MMIS Reprocurement:** The initial contract period with Wipro Infocrossing, Inc. for the operation of the primary Missouri Medicaid Management Information System (MMIS) and Medicaid call centers will end on June 30, 2014 with options to renew annually for up to three additional years (through June 30, 2017). MHD has executed a two-year renewal with Wipro Infocrossing, Inc. The initial contract period with Xerox, Inc. for the operation of the Clinical Management System for Pharmacy Claims and Prior Authorization (CMSP) ended on June 30, 2012 with options to renew annually for up to six additional years (through June 30, 2018). MHD has renewed the contract with Xerox through June 30, 2015. Due to the complexity and potential cost of these contracts, MHD contracted for an independent review of the renewal options available to Missouri for provisions of aforementioned services. MHD has completed a Medicaid Information Technology Architecture (MITA) assessment as required by CMS and developed a recommended MMIS strategy. MHD has contracted with Cognosante, Inc. to conduct an analysis of the current system and MHD business needs and assist with the MMIS reprocurement. It is estimated that implementation of a replacement system would take three to five years.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.166 and 208.201; Federal law: Social Security Act Section 1902(a)(4), 1903(a)(3) and 1915(b); Federal Regulation 42 CFR 433(C) and 438; Children's Health Insurance Program State Plan Amendment.

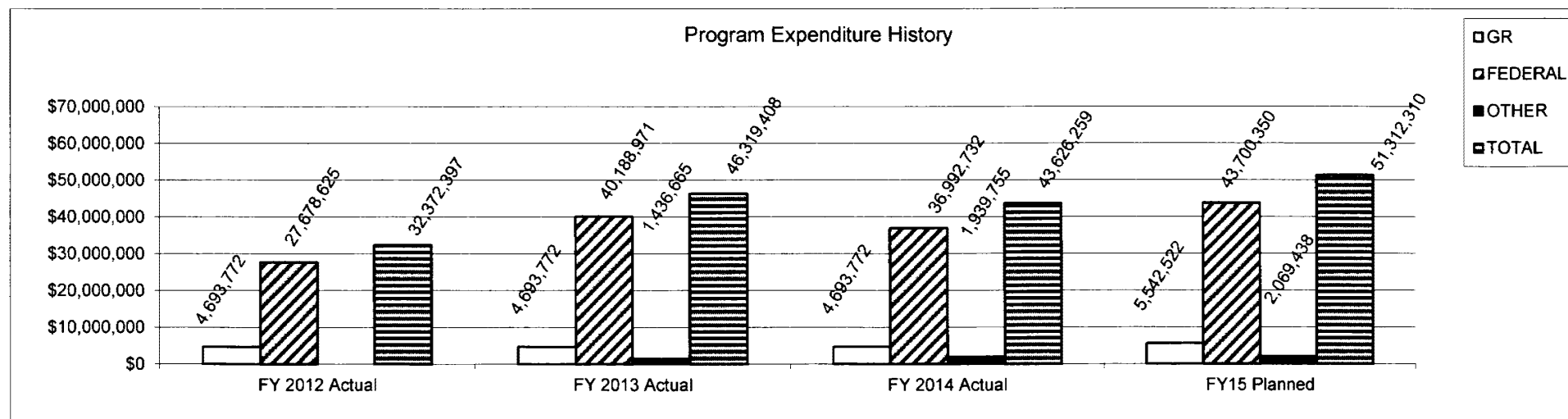
**3. Are there federal matching requirements? If yes, please explain.**

Expenditures for MMIS operations have three different federal financial participation (FFP) rates. The majority of MMIS expenditures earn 75% FFP and require 25% state share. Functions earning 75% include MMIS base operations and call center operations. Approved system enhancements earn 90% FFP and require 10% state share. Enrollment broker services, postage and General Medicaid administrative expenditures earn 50% FFP and requires 50% state share.

**4. Is this a federally mandated program? If yes, please explain.**

Yes. Section 1902(a)(4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



FY 2015 is net of reverted and reserves. Reverted: \$123,668 GR and Other.

**6. What are the sources of the "Other" funds?**

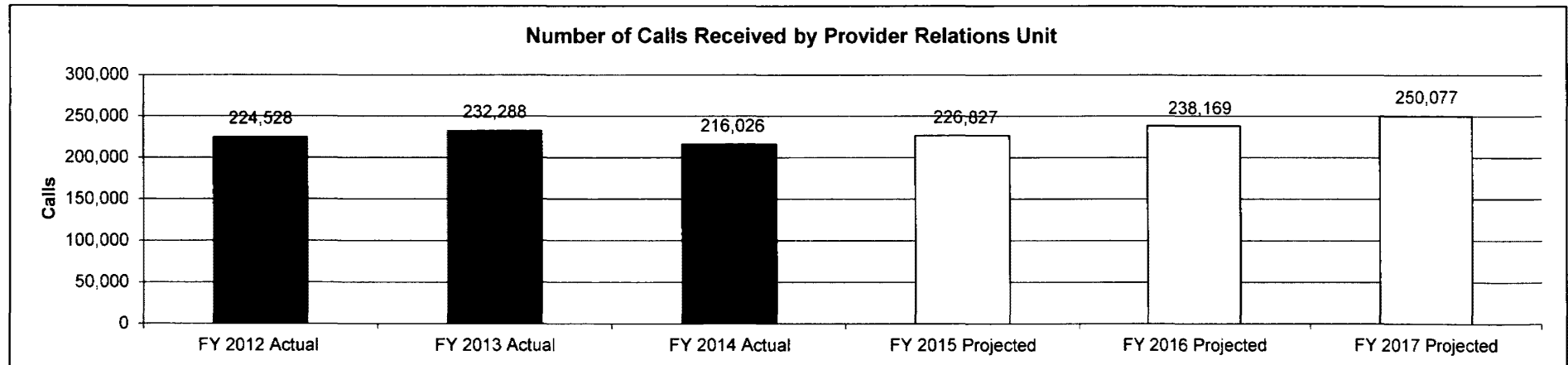
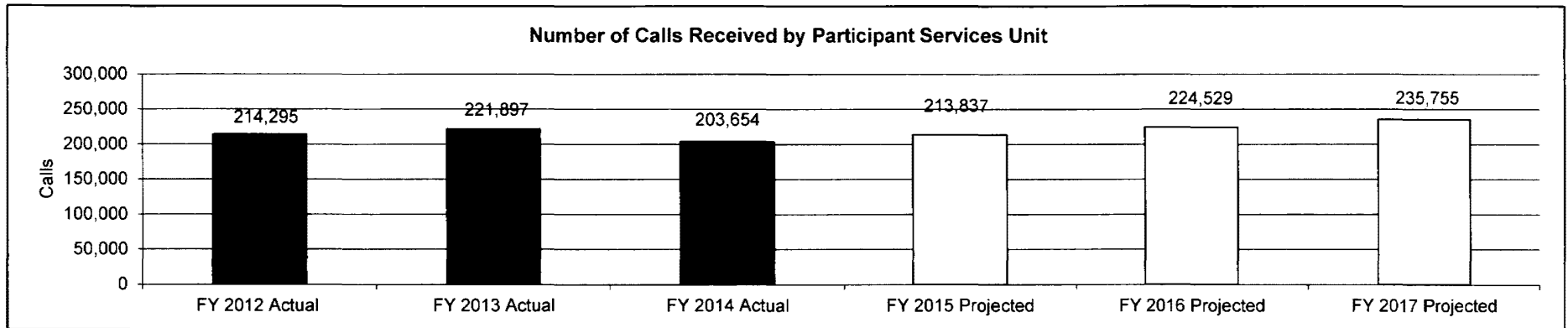
Healthcare Technology Fund (0170) -FY 2013

Health Initiatives Fund (0275) - FY 2013 -2015

Uncompensated Care Fund (0108)- FY 2014-2015

**7a. Provide an effectiveness measure.**

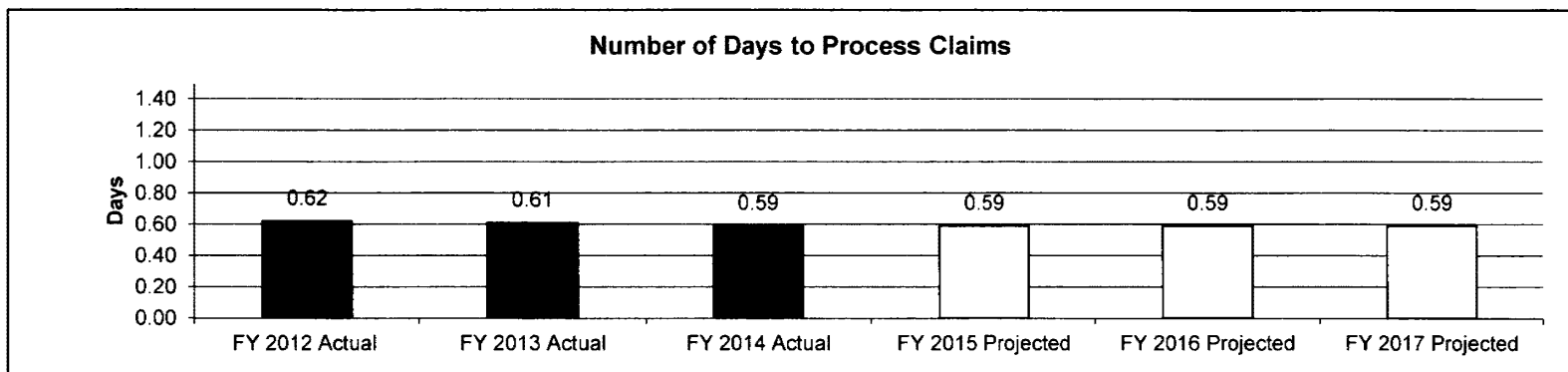
Effectiveness Measure: Provide support for participants and providers. Last year the Participant Services Unit received and responded to 203,654 calls from participants. The Provider Relations Unit received and responded to 216,026 calls in SFY 2014.



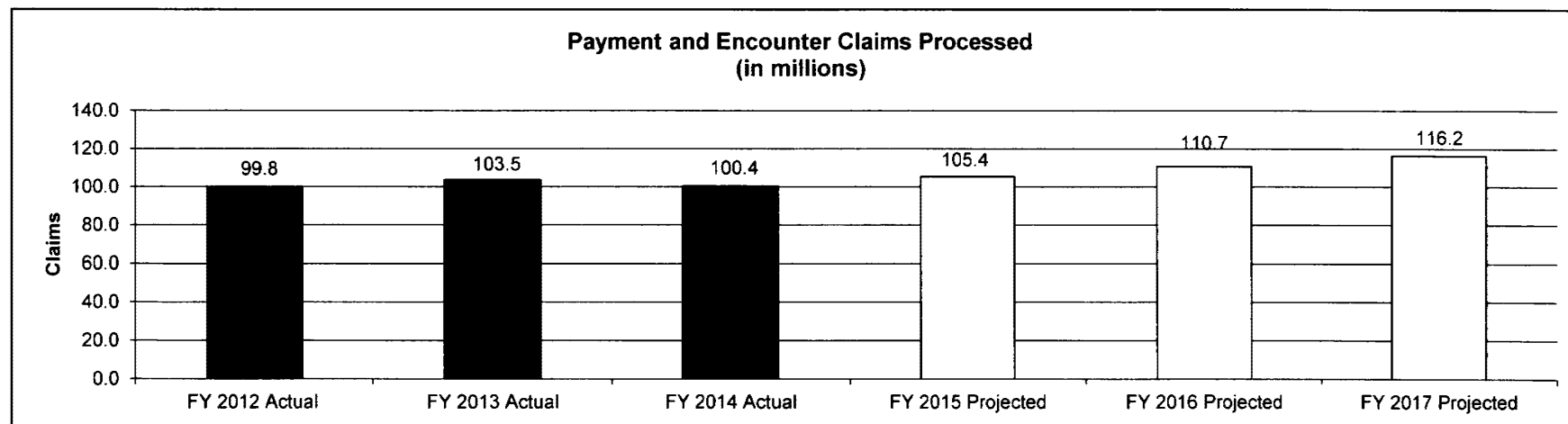


**7b. Provide an efficiency measure.**

Promptly process "clean" claims in less than one day. For the past three fiscal years, claims passing system edits have been processed in less than one day. Processed claims are paid twice a month. In SFY 2014, over 100.4 million claims were processed.



**7c. Provide the number of clients/individuals served, if applicable.**



**7d. Provide a customer satisfaction measure, if available.**

N/A

# NEW DECISION ITEM

RANK: 16

Department: Social Services

Budget Unit: 90522C

Division: MO HealthNet

DI Name: Sustaining MO HealthNet Technology Infrastructure

DI#: 1886015

## 1. AMOUNT OF REQUEST

	FY 2014 Budget Request			
	GR	Federal	Other	Total
PS				
EE	2,050,000	13,050,000		15,100,000
PSD				
TRF				
Total	2,050,000	13,050,000		15,100,000

FTE

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	2,050,000	13,050,000		15,100,000
PSD				
TRF				
Total	2,050,000	13,050,000		15,100,000

FTE

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

## 2. THIS REQUEST CAN BE CATEGORIZED AS:

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input checked="" type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other: Inflation	

## 3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is requested to meet Medicaid systems Federal requirements and to maximize MO HealthNet's use of technology to manage a health care payment and delivery system for over 825,000 Medicaid and CHIP eligibles.

Funding is requested to:

- Ensure Missouri's compliance with Federal regulations on how Medicaid Management Information Systems (MMIS) must accept claims, report data and disburse payments and remittance advice. The project requirements and timeframes for implementation are published in 45 CFR Parts 160 and 162 [CMS-0032-IFC] (5010 D.0).
- Begin the reprocurement process for services provided under the MMIS and Clinical Management System for Pharmacy Claims and Prior Authorization (CMSP). Initial funding will support an analysis of the current system and options on how the state may proceed with the reprocurement process.
- Federal law requires all HIPAA-covered entities adopt the Council for Affordable Quality Healthcare's (CAQH) Committee on Operating Rules for Information Exchange (CORE) Operating Rules. MO HealthNet is required to certify compliance with the Phase IV CORE operating rules to CMS by January 1, 2016 or be subject to a penalty of one dollar per covered life per day up to a maximum penalty of twenty dollars per covered life for the first year.
- Develop a comprehensive, scalable, and secure health care information system to support the decision support, reporting and analytics needs of the Missouri Medicaid Enterprise (MME) in the Business Intelligence Solutions and Enterprise Data Warehouse.
- Ensure Missouri's compliance with Section 95.621 (F) of the Social Security Act which requires the State to conduct periodic security reviews of Automated Data Processing methods and practices, under the Information Systems Security Risk Assessment.
- Establish the functionality in the Mo HealthNet's system to allow staff to query the statewide Health Information Network.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

#### **CORE Operating Rules Phase IV**

Federal law requires all HIPAA-covered entities adopt the Council for Affordable Quality Healthcare's (CAQH) Committee on Operating Rules for Information Exchange (CORE) Operating Rules. These operating rules are part of a federal initiative to simplify the enrollment, claims submission, and payment processes for healthcare providers by standardizing the business processes and transactions, thereby reducing the overall cost of healthcare. The CORE operating rules will be implemented in four phases over a four year period ending January 1, 2016. MO HealthNet has completed implementation of Phases I, II, and III.

The CORE Operating Rules Phase IV will focus on provider enrollment and claims and payment transactions and is required to be implemented by January 1, 2016. Final guidance on the Phase IV requirements has not yet been issued by CMS, but MO HealthNet anticipates receiving the guidance during FY15. During FY15, MO HealthNet will work with the MMIS contractor Wipro Infocrossing, Inc. to define the requirements and identify the system changes required to implement Phase IV. During FY16, MO HealthNet will work with the MMIS contractor to implement the necessary system changes. MO HealthNet is required to certify compliance with the Phase IV CORE operating rules to CMS by January 1, 2016 or be subject to a penalty of one dollar per covered life per day up to a maximum penalty of twenty dollars per covered life for the first year.

#### **MMIS Reprocurement**

The contract with Wipro Infocrossing, Inc. as the MO HealthNet Fiscal Agent and for the operation of the primary Missouri Medicaid Management Information System (MMIS) and Medicaid ends June 30, 2017. The contract with Xerox Heritage, Inc. for the operation of the Clinical Management System for Pharmacy Claims and Prior Authorization (CMSP) ends June 30, 2017. State and federal laws require the reprocurement of these contracts. Given the length of time required to select a renewal option and to exercise the selected option such as an estimated three to five-year implementation of a replacement system, the reprocurement effort must be initiated several years prior to the end of the contract period and the available contract renewal periods.

During FY14, MO HealthNet worked with an independent contractor to complete an assessment of the current Medicaid information technology architecture and develop a long-term MMIS strategy and roadmap to guide the MMIS reprocurement. The Missouri MMIS is a legacy system with components dating back to the 1980s, but has had several enhancements using today's technologies. CMS has issued guidance requiring all MMIS systems qualifying for enhanced federal funding to meet standards reflective of modern technologies and architectures. The Missouri MMIS in its current form meets some but not all of the federal standards required for enhanced federal funding.

Several MMIS strategy options were evaluated including enhancement of the current MMIS with new technologies and a total system replacement. MO HealthNet has started the procurement process by requesting information from vendors regarding available solutions. Due to the size, complexity, and cost of MMIS solutions and the federal MMIS procurement processes, an MMIS procurement is a multi-year process and requires assistance from an independent contractor with MMIS procurement expertise.

During FY16, MO HealthNet will continue to work with an independent contractor to gather information, define requirements, and develop the Requests for Proposal. The current plan is to complete the procurement by the end of FY16 followed by the implementation of the selected solution. MMIS enhancement or replacement projects typically require three to five years.

### **Business Intelligence Solutions and Enterprise Data Warehouse**

The MMIS procurement offers an opportunity for MO HealthNet to develop a comprehensive, scalable, and secure health care information system to support the decision support, reporting, and analytics needs of the Missouri Medicaid Enterprise (MME) for the next decade. This would include developing and implementing a consolidated solution to replace the existing distributed decision support systems and data warehouses that would offer the following opportunities:

1. Reduce the overall cost of the decision support and analytics business functions.
2. Provide business users with Business Intelligence (BI) tools that are powerful, intuitive, and simple to use that have the ability to store, mine, analyze, aggregate, and visualize, large, complex structured, semi-structured, and/or unstructured data from multiple data sources with the objectives of providing answers to queries, creating summarized data, identifying trends, predicting future behavior, and following industry standards.
3. Create a more robust data warehouse containing data from multiple data sources both internal to and external from the MME, including MMIS claims data, Health Information Network clinical data, and Medicaid eligibility data.
4. Simplify the use of the BIS for end users through adoption of complimentary reporting and analytics tools and centralization of the tool support.
5. Provide a modern, scalable, adaptable, and customizable technical architecture and information framework.

MO HealthNet anticipates a BI solution that takes advantage of these opportunities will be a valuable tool in improving case management, care coordination, and clinical outcomes; managing the MME programs; assisting with fraud prevention and detection; and enhancing the process of policy and budget formulation.

### **Information Systems Security Risk Assessment**

Section 95.621(f) of the Social Security Act requires the State to conduct periodic security reviews of Automated Data Processing methods and practices based on recognized industry standards and standards governing the security of federally-funded systems. The State is required to establish and maintain a program for conducting periodic risk analyses to ensure that appropriate, cost-effective safeguards are incorporated into systems.

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) as defined through 45 CFR Part 160 and Part 164, Subparts A and C requires covered entities to conduct an accurate and thorough assessment of the potential risks and vulnerabilities to the confidentiality, integrity, and availability of electronic protected health information.

With the increasing attempts to compromise public systems and access personal information for use in identify theft or fraud and abuse, MO HealthNet considers it prudent to utilize independent contractors to conduct periodic security risk assessments on the Medicaid Management Information System (MMIS) and the Clinical Management System for Pharmacy Claims and Prior Authorization (CMSP). MO HealthNet will work with the system vendors to mitigate any security risks identified through the security risk assessments.

### **Health Information Network**

The American Reinvestment and Recovery Act of 2009 (ARRA) included a provision entitled the Health Information Technology for Economic and Clinical Health Act (HITECH). HITECH is administered by the Office of the National Coordinator for Health Information Technology (ONC). HITECH supports activities to facilitate and expand the electronic movement and use of health information among organizations according to nationally recognized standards through activities that include promoting participation in the statewide and nationwide exchange of health information and promoting the use of electronic health records by healthcare service providers for quality improvement.

A statewide Health Information Network (HIN) has been established in Missouri by the Missouri Health Connection (MHC) to promote the statewide and nationwide exchange of health information. During FY14, MO HealthNet established a connection with the statewide HIN and began sharing Medicaid claims data with Missouri healthcare providers through a patient query function.

The next phase of this project is to establish functionality in MO HealthNet's systems to allow State staff to query the statewide HIN and receive clinical data from the healthcare providers related to Medicaid participants. The data will be utilized to support Medicaid business functions including case management, coordination of care, and prior authorization of services to improve the health of Medicaid patients and support the healthcare provider business operations.

		Total	GR	Federal
<b>Information Systems:</b>				
	5010 D.O / CORE	\$5,000,000	\$500,000	\$4,500,000
	MMIS/CMPS Procurement	\$3,000,000	\$300,000	\$2,700,000
	Data Warehouse	\$5,000,000	\$800,000	\$4,200,000
	Security Risk Assessment	\$600,000	\$300,000	\$300,000
	Health Information Network	\$1,500,000	\$150,000	\$1,350,000
<b>Total</b>		<b>\$15,100,000</b>	<b>\$2,050,000</b>	<b>\$13,050,000</b>

\*The Governor recommended as requested.

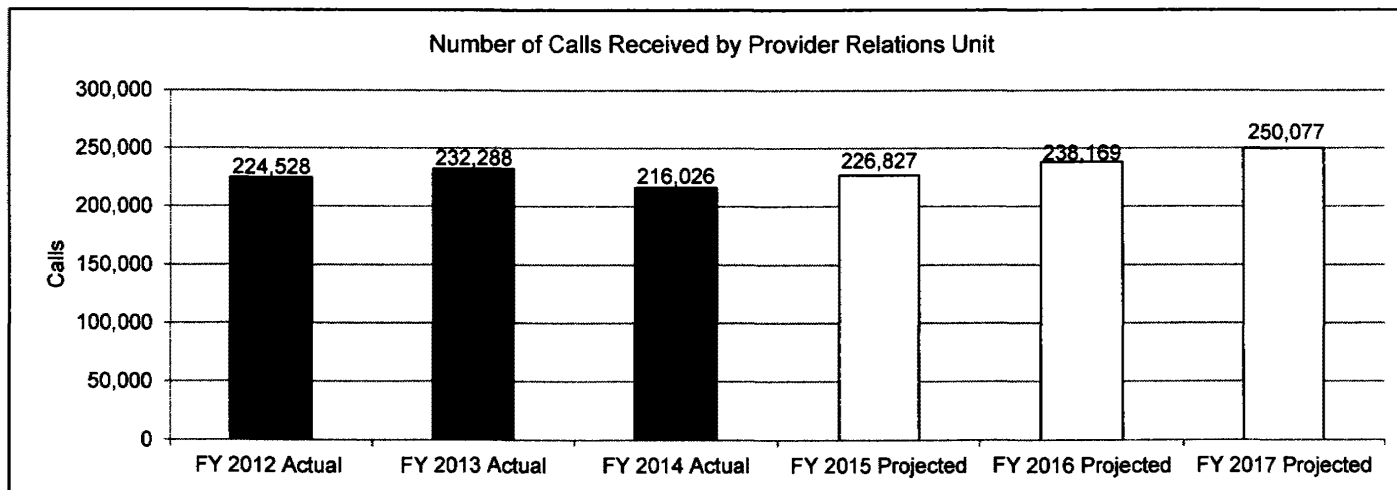
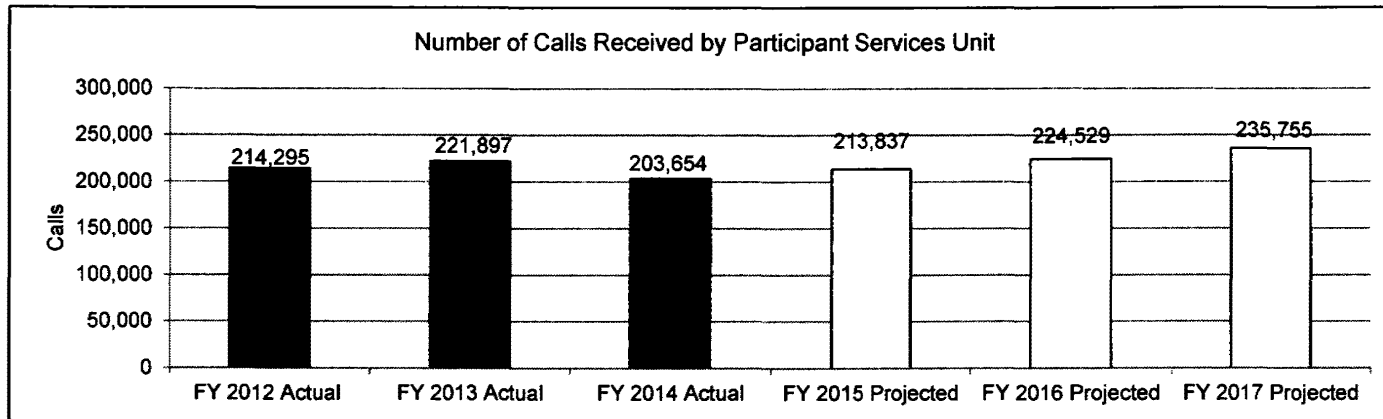
<b>5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.</b>								
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE
<b>Total PS</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>
Professional Services	2,050,000		13,050,000				15,100,000	
<b>Total EE</b>	<b>2,050,000</b>		<b>13,050,000</b>		<b>0</b>		<b>15,100,000</b>	
<b>Total PSD</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>	
Transfers								
<b>Total TRF</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>	
<b>Grand Total</b>	<b>2,050,000</b>	<b>0.0</b>	<b>13,050,000</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>15,100,000</b>	<b>0.0</b>

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.								
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE
<b>Total PS</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>
Professional Services	2,050,000		13,050,000				15,100,000	
<b>Total EE</b>	<b>2,050,000</b>		<b>13,050,000</b>		<b>0</b>		<b>15,100,000</b>	
Program Distributions								
<b>Total PSD</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>	
Transfers								
<b>Total TRF</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>	
<b>Grand Total</b>	<b>2,050,000</b>	<b>0.0</b>	<b>13,050,000</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>15,100,000</b>	<b>0.0</b>

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

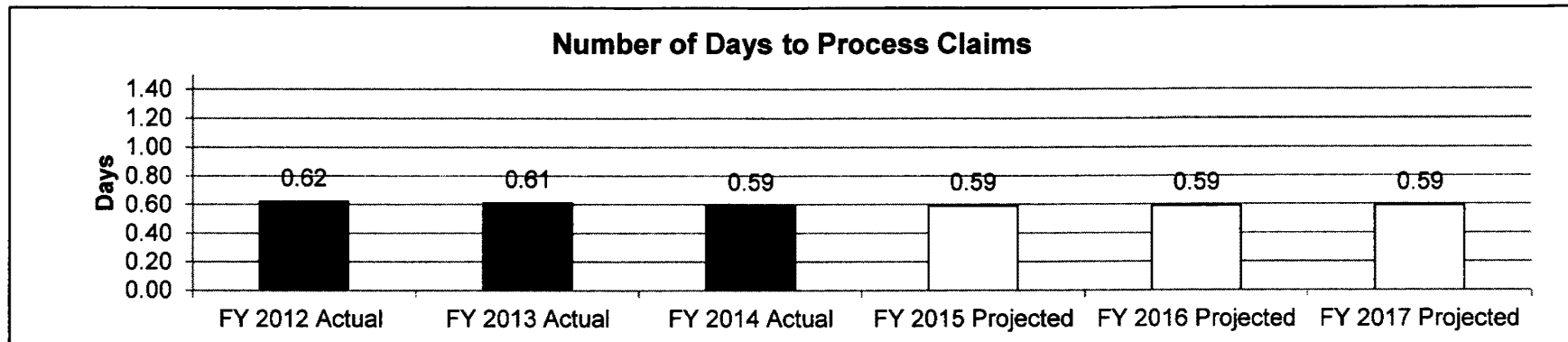
**6a. Provide an effectiveness measure.**

Effectiveness Measure: Provide support for participants and providers. Last year the Participant Services Unit received and responded to over 203,654 calls from participants. The Provider Relations Unit received and responded to 216,026 calls in SFY 2014.

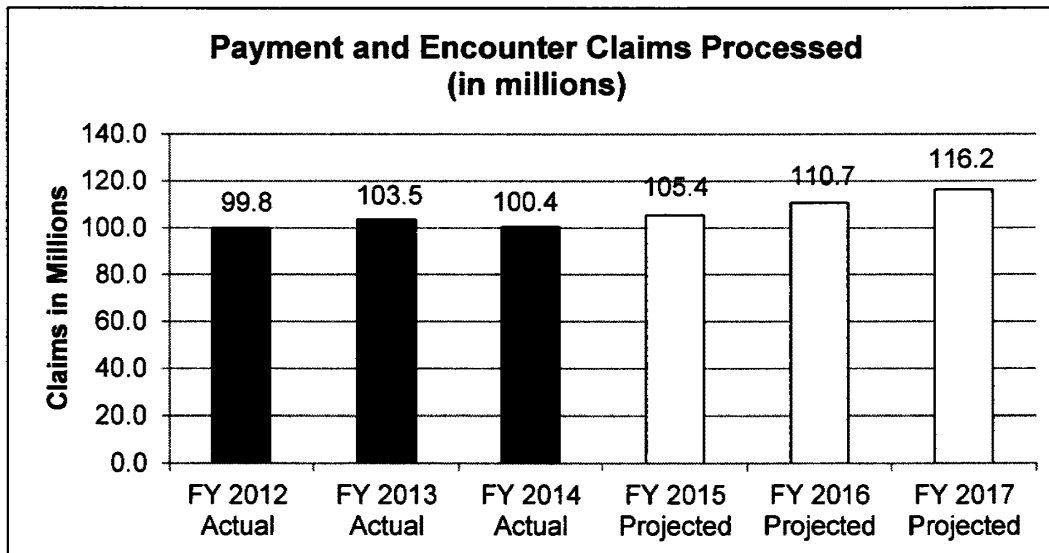


**6b. Provide an efficiency measure.**

Efficiency Measure: Promptly process "clean" claims in less than one day. For the past three fiscal years, claims passing system edits have been processed in less than one day. Processed claims are paid twice a month. In SFY 2014, over 100.4 million claims were processed.



**6c. Provide the number of clients/individuals served, if applicable.**



**6d. Provide a customer satisfaction measure, if available.**

N/A

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>INFORMATION SYSTEMS</b>								
Sustaining MO HealthNet Tech - 1886015								
PROFESSIONAL SERVICES	0	0.00	0	0.00	15,100,000	0.00	15,100,000	0.00
TOTAL - EE	0	0.00	0	0.00	15,100,000	0.00	15,100,000	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$15,100,000</b>	<b>0.00</b>	<b>\$15,100,000</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$2,050,000	0.00	\$2,050,000	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$13,050,000	0.00	\$13,050,000	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

**NEW DECISION ITEM  
RANK: 17**

Department: Social Services  
Division: MO HealthNet  
DI Name: Enterprise EHR

Budget Unit: 90522C

DI#: 1886029

**1. AMOUNT OF REQUEST**

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE	150,000	1,350,000		1,500,000
PSD				
TRF				
<b>Total</b>	<b>150,000</b>	<b>1,350,000</b>		<b>1,500,000</b>

FTE

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	150,000	1,350,000		1,500,000
PSD				
TRF				
<b>Total</b>	<b>150,000</b>	<b>1,350,000</b>	<b>0</b>	<b>1,500,000</b>

FTE

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input checked="" type="checkbox"/> x	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/>	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/>	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/>	<input type="checkbox"/> Other: Inflation	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

**NDI SYNOPSIS:** Funding is requested to analyze the procurement process for an Enterprise Electronic Health Record System and Enterprise Health Information Network (EEHRS-EHIN).

Missouri is proposing to implement a cross-agency solution that supports enterprise-wide clinical data exchange, clinical data integration, and healthcare analytics, to facilitate Medicaid business process flexibility and interoperability of services across multiple State Government healthcare programs. The proposed solution will support inter and intra State clinical data exchange, recipient and provider communications, and multi-partner collaboration efforts between the Missouri Medicaid Enterprise (MME) members, State agencies partners, Health Information Exchange (HIE) participants, community healthcare providers, Medicaid recipients and their families, and the Federal government. The solution is comprehensive, providing both access to healthcare data from multiple disparate sources and a complete set of tools and services for working with complex high quality, high volume data. By leveraging Healthcare Information Technology (HIT) assets and technologies, Missouri hopes to provide better coordination of care to the Department of Health and Senior Services (DHSS) and the Department of Mental Health (DMH) Medicaid recipients, align healthcare management across the enterprise, reduce waste and cost from duplicative care, streamline inefficient processes, and gain efficiencies from shared resources. Missouri's solution is referred to as the Enterprise Electronic Health Record System and Enterprise Health Information Network.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Missouri is proposing to implement a cross-agency solution that supports enterprise-wide clinical data exchange, clinical data integration, and healthcare analytics, to facilitate Medicaid business process flexibility and interoperability of services across multiple State Government healthcare programs. The proposed solution will support inter and intra State clinical data exchange, recipient and provider communications, and multi-partner collaboration efforts between the Missouri Medicaid Enterprise (MME) members, State agencies partners, Health Information Exchange (HIE) participants, community healthcare providers, Medicaid recipients and their families, and the Federal government. The solution is comprehensive, providing both access to healthcare data from multiple disparate sources and a complete set of tools and services for working with complex high quality, high volume data. By leveraging Healthcare Information Technology (HIT) assets and technologies, Missouri hopes to provide better coordination of care to DHSS and DMH Medicaid recipients, align healthcare management across the enterprise, reduce waste and cost from duplicative care, streamline inefficient processes, and gain efficiencies from shared resources. Missouri's solution is referred to as the Enterprise Electronic Health Record System and Enterprise Health Information Network (EEHRS-EHIN).

	Total	GR	Federal	Other
Enterprise EHR	\$1,500,000	\$150,000	\$1,350,000	\$0
Total	\$1,500,000	\$150,000	\$1,350,000	\$0

The Governor recommended as requested.

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE
Total PS	0	0.0	0	0.0	0	0.0	0	0.0
Total EE	150,000 150,000		1,350,000 1,350,000		0		1,500,000 1,500,000	
Program Distributions					0			
Total PSD	0		0		0		0	
Transfers								
Total TRF	0		0		0		0	
Grand Total	150,000	0.0	1,350,000	0.0	0	0.0	1,500,000	0.0

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE
Total PS	0	0.0	0	0.0	0	0.0	0	0.0
Total EE	150,000 150,000		1,350,000 1,350,000		0		1,500,000 1,500,000	
Program Distributions								
Total PSD	0		0		0		0	
Transfers								
Total TRF	0		0		0		0	
Grand Total	150,000	0.0	1,350,000	0.0	0	0.0	1,500,000	0.0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional**

- 6a. Provide an effectiveness measure.  
N/A
- 6b. Provide an efficiency measure.  
N/A
- 6c. Provide the number of clients/individuals served, if applicable.  
N/A
- 6d. Provide a customer satisfaction measure, if available.  
N/A

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>INFORMATION SYSTEMS</b>								
<b>Enterprise EHR - 1886029</b>								
PROFESSIONAL SERVICES	0	0.00	0	0.00	1,500,000	0.00	1,500,000	0.00
TOTAL - EE	0	0.00	0	0.00	1,500,000	0.00	1,500,000	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,500,000</b>	<b>0.00</b>	<b>\$1,500,000</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$150,000	0.00	\$150,000	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$1,350,000	0.00	\$1,350,000	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>ELECTRONIC HLTH RECORDS INCNTV</b>									
<b>CORE</b>									
<b>EXPENSE &amp; EQUIPMENT</b>									
FEDERAL STIMULUS-DSS	1,211,072	0.00	0	0.00	0	0.00	0	0.00	0.00
TOTAL - EE	1,211,072	0.00	0	0.00	0	0.00	0	0.00	0.00
<b>PROGRAM-SPECIFIC</b>									
FEDERAL STIMULUS-DSS	44,545,643	0.00	85,000,000	0.00	60,000,000	0.00	60,000,000	0.00	0.00
TOTAL - PD	44,545,643	0.00	85,000,000	0.00	60,000,000	0.00	60,000,000	0.00	0.00
<b>TOTAL</b>	<b>45,756,715</b>	<b>0.00</b>	<b>85,000,000</b>	<b>0.00</b>	<b>60,000,000</b>	<b>0.00</b>	<b>60,000,000</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$45,756,715</b>	<b>0.00</b>	<b>\$85,000,000</b>	<b>0.00</b>	<b>\$60,000,000</b>	<b>0.00</b>	<b>\$60,000,000</b>	<b>0.00</b>	<b>0.00</b>

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## CORE DECISION ITEM

**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** Electronic Health Records Incentives

**Budget Unit:** 90523C

### 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD		60,000,000		60,000,000
TRF				
<b>Total</b>		<b>60,000,000</b>		<b>60,000,000</b>
<b>FTE</b>				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Fed	Other	Total
PS				
EE				
PSD		60,000,000		60,000,000
TRF				
<b>Total</b>		<b>60,000,000</b>		<b>60,000,000</b>
<b>FTE</b>				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

### 2. CORE DESCRIPTION

This core request is for funding of the MO HealthNet Electronic Health Record (EHR) Incentive Program, that provides incentive payments to eligible professionals and eligible hospitals that adopt, implement, upgrade, or meaningfully use certified EHR technology. Eligible providers must meet Medicaid patient volume thresholds, purchase and use certified EHR products, and meet meaningful use requirements to demonstrate that EHR systems are used to improve clinical outcomes over time.

### 3. PROGRAM LISTING (list programs included in this core funding)

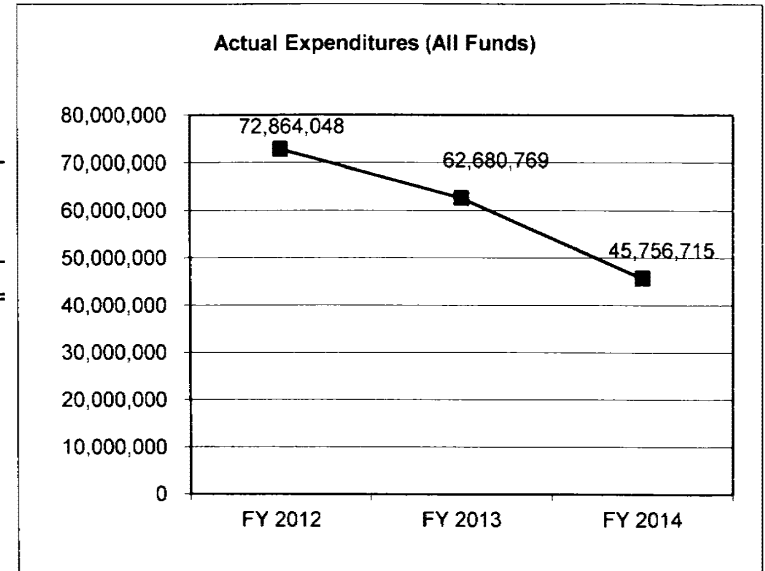
Electronic Health Records Incentives



#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	100,000,000	100,000,000	100,000,000	85,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	100,000,000	100,000,000	100,000,000	N/A
Actual Expenditures (All Funds)	72,864,048	62,680,769	45,756,715	N/A
Unexpended (All Funds)	27,135,952	37,319,231	54,243,285	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	27,135,952	37,319,231	54,243,285	N/A
Other	0	0	0	N/A

(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) Core reduction of \$15M in FY15.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**ELECTRONIC HLTH RECORDS INCNTV**

**5. CORE RECONCILIATION DETAIL**

		<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>								
		PD	0.00	0	85,000,000	0	85,000,000	
		<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>85,000,000</b>	<b>0</b>	<b>85,000,000</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>								
Core Reduction	1664 7962	PD	0.00	0	(25,000,000)	0	(25,000,000)	Core reduction of excess Federal authority.
<b>NET DEPARTMENT CHANGES</b>			<b>0.00</b>	<b>0</b>	<b>(25,000,000)</b>	<b>0</b>	<b>(25,000,000)</b>	
<b>DEPARTMENT CORE REQUEST</b>								
		PD	0.00	0	60,000,000	0	60,000,000	
		<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>60,000,000</b>	<b>0</b>	<b>60,000,000</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		PD	0.00	0	60,000,000	0	60,000,000	
		<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>60,000,000</b>	<b>0</b>	<b>60,000,000</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>ELECTRONIC HLTH RECORDS INCNTV</b>								
<b>CORE</b>								
TRAVEL, OUT-OF-STATE	3,217	0.00	0	0.00	0	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	150	0.00	0	0.00	0	0.00	0	0.00
PROFESSIONAL SERVICES	1,207,705	0.00	0	0.00	0	0.00	0	0.00
<b>TOTAL - EE</b>	<b>1,211,072</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
PROGRAM DISTRIBUTIONS	44,545,643	0.00	85,000,000	0.00	60,000,000	0.00	60,000,000	0.00
<b>TOTAL - PD</b>	<b>44,545,643</b>	<b>0.00</b>	<b>85,000,000</b>	<b>0.00</b>	<b>60,000,000</b>	<b>0.00</b>	<b>60,000,000</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$45,756,715</b>	<b>0.00</b>	<b>\$85,000,000</b>	<b>0.00</b>	<b>\$60,000,000</b>	<b>0.00</b>	<b>\$60,000,000</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$45,756,715	0.00	\$85,000,000	0.00	\$60,000,000	0.00	\$60,000,000	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Electronic Health Records Incentive

Program is found in the following core budget(s): Electronic Health Records Incentive

### 1. What does this program do?

Missouri's Medicaid EHR Incentive Program became operational on April 4, 2011. To qualify for Medicaid incentive payments during the first year, participants must meet volume thresholds for Medicaid patients and show that they have adopted, implemented, or upgraded to certified EHR technology. In subsequent years, payments require demonstration of meaningful use of certified EHR technology. Under the program, eligible professionals can receive up to \$63,750 in incentive payments over six years; hospital amounts are based on an established formula primarily driven by discharges. Amounts vary significantly by hospital; the average first year payment to date is \$760,000.

Eligible professionals (EPs) include physicians, dentists, certified nurse midwives, nurse practitioners, and physician assistants practicing in rural health clinics or Federally Qualified Health Centers (FQHCs) led by a physician assistant. EPs must have at least a 30% patient volume attributable to Medicaid (20% for pediatricians). EPs can base their volume on either their *individual* Medicaid patient encounters or the *practice's* Medicaid patient encounters. Encounters include both fee-for-service and managed care for which Medicaid paid in whole or in part. Beginning in program year 2013, zero pay claims can also be counted, recognizing service to Medicaid-enrolled individuals regardless of liability. Eligible hospitals (EHs) include acute care hospitals, all stand-alone children's hospitals, cancer hospitals, and critical access hospitals. Except for children's hospitals, EHs must have at least 10% Medicaid patient volume.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal law: ARRA Section 4201; Federal Regulation: 42 CFR Parts 412, 413, 422, and 495

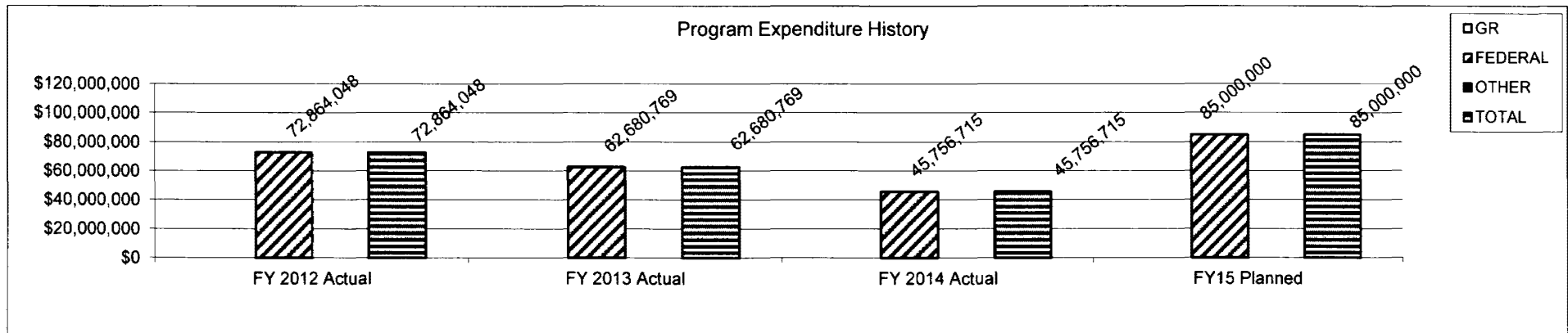
### 3. Are there federal matching requirements? If yes, please explain.

Expenditures for healthcare technology incentives are 100% federal funds. Administrative costs earn a 90% federal match.

### 4. Is this a federally mandated program? If yes, please explain.

No.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

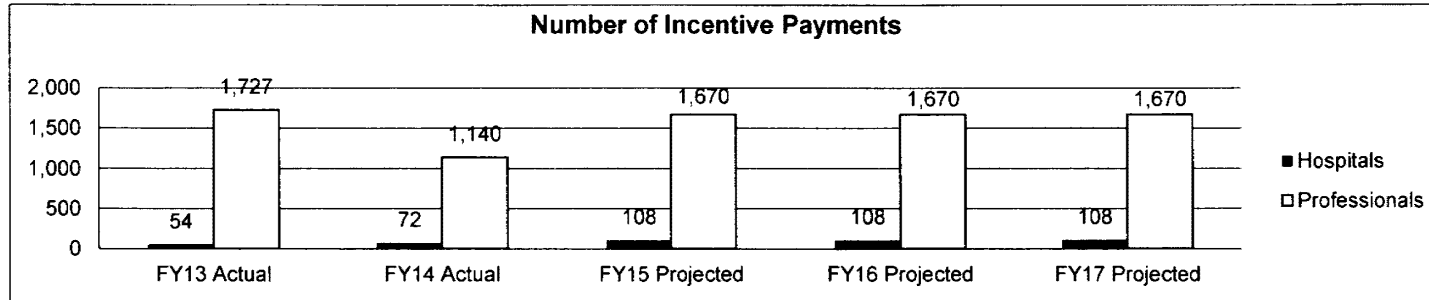


**6. What are the sources of the "Other" funds?**

N/A

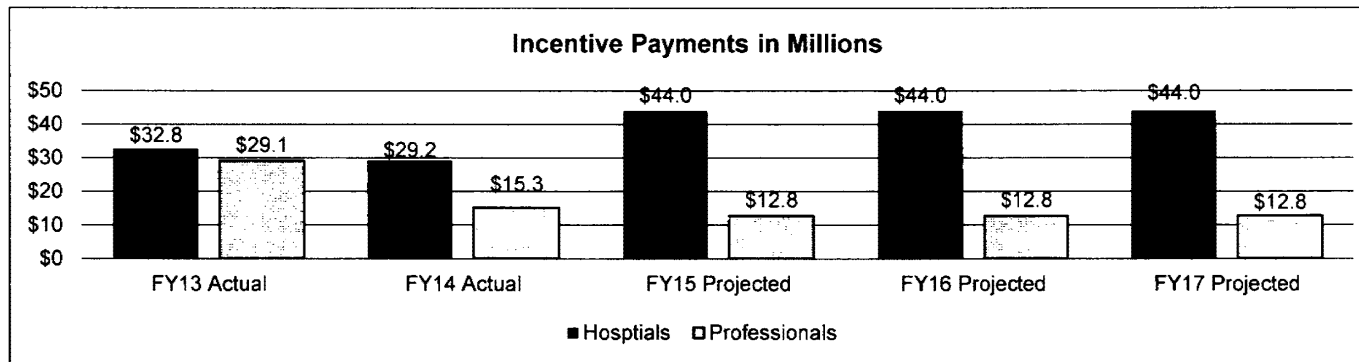
**7a. Provide an effectiveness measure.**

Increase the number of hospitals and eligible professionals demonstrating meaningful use of EHR technology.



**7b. Provide an efficiency measure.**

Provide adequate payments for Electronic Health Records Incentives to MO HealthNet providers with the funds appropriated.



**7c. Provide the number of clients/individuals served, if applicable.**

N/A

**7d. Provide a customer satisfaction measure, if available.**

N/A

**Money Follows the Person  
Grant**

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>MONEY FOLLOWS THE PERSON GRANT</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
DEPT OF SOC SERV FEDERAL & OTH	453,273	0.00	127,852	0.00	453,277	0.00	453,277	0.00	
TOTAL - EE	453,273	0.00	127,852	0.00	453,277	0.00	453,277	0.00	
PROGRAM-SPECIFIC									
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	404,697	0.00	79,272	0.00	79,272	0.00	
TOTAL - PD	0	0.00	404,697	0.00	79,272	0.00	79,272	0.00	
<b>TOTAL</b>	<b>453,273</b>	<b>0.00</b>	<b>532,549</b>	<b>0.00</b>	<b>532,549</b>	<b>0.00</b>	<b>532,549</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$453,273</b>	<b>0.00</b>	<b>\$532,549</b>	<b>0.00</b>	<b>\$532,549</b>	<b>0.00</b>	<b>\$532,549</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Money Follows the Person

Budget Unit: 90524C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE		453,277		453,277
PSD		79,272		79,272
TRF				
Total		532,549		532,549

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE		453,277		453,277
PSD		79,272		79,272
TRF				
Total		532,549		532,549

FTE

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

## 2. CORE DESCRIPTION

This core request is for on-going funding for the administration of the Money Follows the Person program. Money Follows the Person Demonstration program transitions individuals who are elderly, disabled or who have developmental disabilities from nursing facilities or state owned habilitation centers to Home and Community Based Services.

## 3. PROGRAM LISTING (list programs included in this core funding)

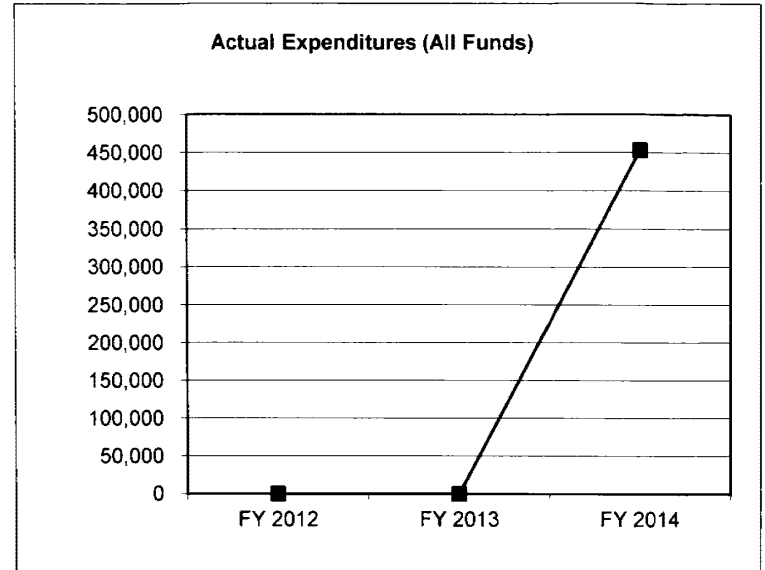
Money Follows the Person



#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	0	0	532,549	532,549
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	532,549	N/A
Actual Expenditures (All Funds)	0	0	453,274	N/A
Unexpended (All Funds)	0	0	79,275	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	79,275	N/A
Other	0			N/A

(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) FY14 Section was transferred to MO HealthNet Division from Federal Grants and Donations.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**MONEY FOLLOWS THE PERSON GRANT**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>										
				EE	0.00	0	127,852	0	127,852	
				PD	0.00	0	404,697	0	404,697	
				<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>532,549</b>	<b>0</b>	<b>532,549</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reallocation	135	8398		EE	0.00	0	325,425	0	325,425	Core reallocations will more closely align budget with planned spending.
Core Reallocation	135	8398		PD	0.00	0	(325,425)	0	(325,425)	Core reallocations will more closely align budget with planned spending.
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				EE	0.00	0	453,277	0	453,277	
				PD	0.00	0	79,272	0	79,272	
				<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>532,549</b>	<b>0</b>	<b>532,549</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				EE	0.00	0	453,277	0	453,277	
				PD	0.00	0	79,272	0	79,272	
				<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>532,549</b>	<b>0</b>	<b>532,549</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MONEY FOLLOWS THE PERSON GRANT</b>								
<b>CORE</b>								
TRAVEL, IN-STATE	2,087	0.00	0	0.00	2,086	0.00	2,086	0.00
SUPPLIES	174	0.00	0	0.00	175	0.00	175	0.00
PROFESSIONAL SERVICES	450,716	0.00	127,852	0.00	450,716	0.00	450,716	0.00
BUILDING LEASE PAYMENTS	150	0.00	0	0.00	150	0.00	150	0.00
MISCELLANEOUS EXPENSES	146	0.00	0	0.00	150	0.00	150	0.00
TOTAL - EE	453,273	0.00	127,852	0.00	453,277	0.00	453,277	0.00
PROGRAM DISTRIBUTIONS	0	0.00	404,697	0.00	79,272	0.00	79,272	0.00
TOTAL - PD	0	0.00	404,697	0.00	79,272	0.00	79,272	0.00
<b>GRAND TOTAL</b>	<b>\$453,273</b>	<b>0.00</b>	<b>\$532,549</b>	<b>0.00</b>	<b>\$532,549</b>	<b>0.00</b>	<b>\$532,549</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$453,273	0.00	\$532,549	0.00	\$532,549	0.00	\$532,549	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Money Follows The Person**

**Program is found in the following core budget(s): Money Follows the Person**

### **1. What does this program do?**

This program provides payment for the administration of the Money Follows the Person program.

Money Follows the Person is a demonstration grant that aides in transitioning of individuals with disabilities or who are aging from habilitation centers and nursing facilities to the community; it helps identify barriers that prevent individuals currently residing in state or private facilities from accessing needed long-term community support services; it helps to improve the ability of the Missouri Medicaid Program to continue the provision of Home and Community Based Services (HCBS) Long Term Care services to individuals choosing to transition to communities; and lastly it helps to ensure procedures are in place to provide continuous quality improvement in HCBS.

In order to be eligible for the Money Follows the Person program an individual must have been in a nursing facility or ICF/MR bed for at least 90 consecutive (non-Medicare Rehab) days, be Medicaid eligible at the time of transition, move into qualified housing and sign a participation agreement. At the time of discharge the participant must be in a certified Medicaid bed.

Participants will reside in the program for 365 community days after which they will seamlessly transition to the regular HCBS service programs. The grant will provide up to \$2,400 to participants transitioning from a nursing facility, a onetime assistance for transition costs to set up home in the community. This one time assistance can be used anytime within the 365 days.

The MFP program will extend through September 30, 2016 with any remainder funds awarded in 2016 being used until 2020.

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

Section 6071 of the Federal Deficit Reduction Act of 2005; PL 109-171, and amended by the Affordable Care Act, Section 2403.

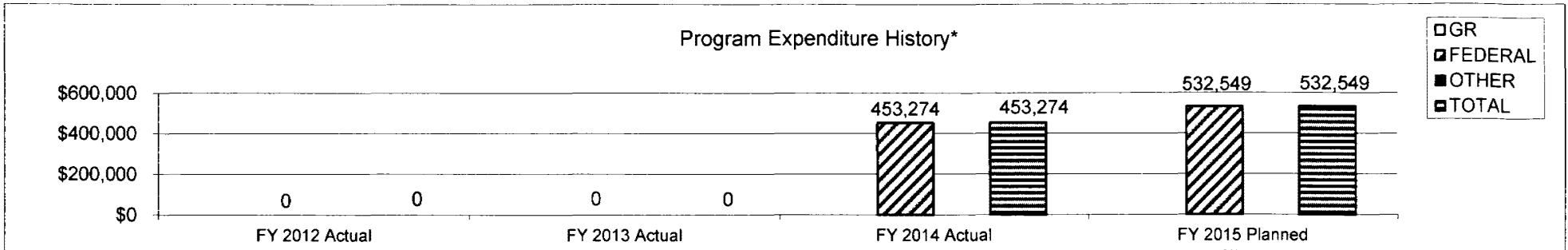
### **3. Are there federal matching requirements? If yes, please explain.**

Money Follows the Person administrative expenditures earn 100% federal matching funds.

### **4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



\*Expenditure history in this appropriation was moved to new section in FY 2014.

**6. What are the sources of the "Other" funds?**

N/A

**7a. Provide an effectiveness measure.**

N/A

**7b. Provide an efficiency measure.**

N/A

**7c. Provide the number of clients/individuals served, if applicable.**

Number of Transitions by Target Population					
	Elderly	Developmental Disability	Physical Disability	Developmental Disability/Mental Illness	Total
CY 2012 Actual	66	62	89	7	224
CY 2013 Actual	33	34	95	2	164
CY 2014 Projected	36	29	104	3	172
CY 2015 Projected	38	20	109	3	170
CY 2016 Projected	40	20	115	3	178
CY 2017 Projected	42	20	120	3	185

**7d. Provide a customer satisfaction measure, if available.**

N/A



## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>ADULT MEDICAID QUALITY GRANT</b>									
<b>CORE</b>									
<b>EXPENSE &amp; EQUIPMENT</b>									
DEPT OF SOC SERV FEDERAL & OTH	814,306	0.00	1,000,000	0.00	0	0.00	0	0.00	0.00
TOTAL - EE	814,306	0.00	1,000,000	0.00	0	0.00	0	0.00	0.00
<b>TOTAL</b>	<b>814,306</b>	<b>0.00</b>	<b>1,000,000</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$814,306</b>	<b>0.00</b>	<b>\$1,000,000</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Adult Medicaid Quality Grant

Budget Unit: 90524C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total	0	0	0	0
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total	0	0	0	0
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

## 2. CORE DESCRIPTION

MO HealthNet provides health care access to low-income persons who are age 65 or over, blind, disabled, or members of families with dependent children. The purpose of the Adult Medicaid Quality Measures Grant is to show how MO HealthNet will (a) test and evaluate methods for collections and reporting of the Initial Core Set Measures in varying delivery care settings (e.g. managed care, fee-for-service, long term care settings such as nursing homes and intermediate care facilities); (b) develop staff capacity to report the data, analyze, and use the data for monitoring and improving access and the quality of care in Medicaid; and (c) conduct at least two Medicaid quality improvement projects related to the Initial Core Set Measures. Section 2701 of the Health Care and Education Reconciliation Act, provides for federal grants to develop a core set of health care quality measures for adults eligible for benefits under Medicaid. Grant ends in FY 2015.

## 3. PROGRAM LISTING (list programs included in this core funding)

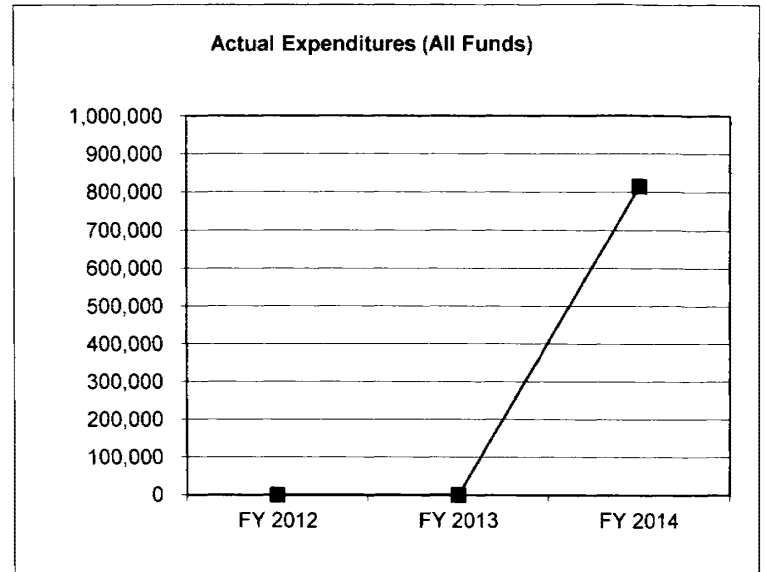
Adult Medicaid Quality Grant



#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	0	0	1,000,000	1,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	1,000,000	N/A
Actual Expenditures (All Funds)	0	0	814,306	N/A
Unexpended (All Funds)	0	0	185,694	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	185,694	N/A
Other	0			N/A

(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) FY14 Program began.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**ADULT MEDICAID QUALITY GRANT**

**5. CORE RECONCILIATION DETAIL**

		<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>								
		EE	0.00	0	1,000,000	0	1,000,000	
		<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>1,000,000</b>	<b>0</b>	<b>1,000,000</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>								
Core Reduction	136 8399	EE	0.00	0	(1,000,000)	0	(1,000,000)	Core reduction- Grant ended.
<b>NET DEPARTMENT CHANGES</b>			<b>0.00</b>	<b>0</b>	<b>(1,000,000)</b>	<b>0</b>	<b>(1,000,000)</b>	
<b>DEPARTMENT CORE REQUEST</b>								
		EE	0.00	0	0	0	0	
		<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		EE	0.00	0	0	0	0	
		<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>ADULT MEDICAID QUALITY GRANT</b>								
<b>CORE</b>								
TRAVEL, IN-STATE	953	0.00	12,160	0.00	0	0.00	0	0.00
TRAVEL, OUT-OF-STATE	4,435	0.00	0	0.00	0	0.00	0	0.00
SUPPLIES	1,027	0.00	87,080	0.00	0	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	2,310	0.00	0	0.00	0	0.00	0	0.00
PROFESSIONAL SERVICES	765,083	0.00	900,760	0.00	0	0.00	0	0.00
OFFICE EQUIPMENT	347	0.00	0	0.00	0	0.00	0	0.00
OTHER EQUIPMENT	40,025	0.00	0	0.00	0	0.00	0	0.00
MISCELLANEOUS EXPENSES	126	0.00	0	0.00	0	0.00	0	0.00
<b>TOTAL - EE</b>	<b>814,306</b>	<b>0.00</b>	<b>1,000,000</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$814,306</b>	<b>0.00</b>	<b>\$1,000,000</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>		<b>0.00</b>
<b>FEDERAL FUNDS</b>	<b>\$814,306</b>	<b>0.00</b>	<b>\$1,000,000</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>		<b>0.00</b>
<b>OTHER FUNDS</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>		<b>0.00</b>

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Adult Medicaid Quality Grant

Program is found in the following core budget(s): Adult Medicaid Quality Grant

### 1. What does this program do?

The Adult Medicaid Grant is a two year grant which ends December 2014. The Adult Medicaid Grant will help develop the capacity for MO HealthNet to expand the Healthcare Effectiveness Data and Information Set (HEDIS) measures to Fee-For-Service programs and expand information technology capabilities to better capture quality related data from claims data. The grant will also enable MO HealthNet to partner with the Missouri Department of Health and Senior Services and the Missouri Department of Mental Health on quality improvement initiatives (ie. smoking cessation and follow-up for depression treatment). In addition, the grant will review the process to acquire dual eligible data from CMS, and extend provider education and data sharing beyond what is currently provided through Care Management Technologies.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

CFDA 93.609; Grant 1F1CMS3311127-01-00

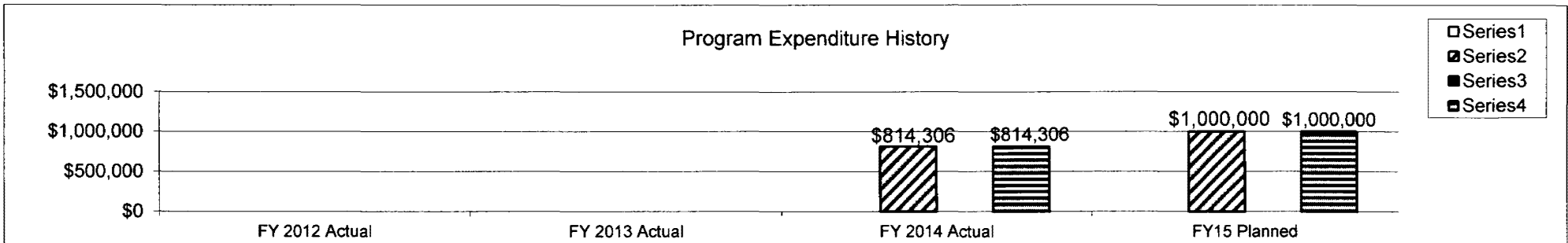
### 3. Are there federal matching requirements? If yes, please explain.

No.

### 4. Is this a federally mandated program? If yes, please explain.

No.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



New in FY 2014

### 6. What are the sources of the "Other" funds?

N/A

**7a. Provide an effectiveness measure.**

The evaluation for this project will focus on development and evaluation of process measures for MO HealthNet for grant related activities over time, collection and evaluation of at least fifteen (15) of the core measures over time, implementation and evaluation of the quality improvement initiatives implemented in the defined populations, and evaluation and root cause analysis of goals not met with an emphasis on lessons learned.

Core Measures for Collection and Evaluation	
Measure Steward	Measure Name
NCQA	Flu Shots for Adults Ages 50-64
NCQA	Adult BMI Assessment
NCQA	Breast Cancer Screening
NCQA	Cervical Cancer Screening
NCQA	Medical Assistance with Smoking and Tobacco Use Cessation
NCQA	Chlamydia Screening in Women Ages 21-24
NCQA	Follow-Up After Hospitalization for Mental Illness
NCQA	Controlling High Blood Pressure
NCQA	Annual HIV/AIDS Medical Visit
NCQA	Comprehensive Diabetes Care: Hemoglobin A1C Testing
NCQA	Antidepressant Medication Management
CMS-QMHAG	Adherence to Antipsychotics for Individuals with Schizophrenia
NCQA	Annual Monitoring for Patients on Persistent Medications
AHRQ & NCQA	CAHPS Health Plan Survey v 4.0-Adult Questionnaire with CAHPS Health Plan Survey v
NCQA	Initiation and Engagement of Alcohol and Other Drug Dependence Treatment
NCQA	Prenatal and Postpartum Care: Postpartum Care Rate

**7b. Provide an efficiency measure.**

N/A

**7c. Provide the number of clients/individuals served, if applicable.**

N/A

**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>PHARMACY</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	1,650,000	0.00	0	0.00	0	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	1,188,888	0.00	207,578	0.00	207,578	0.00	207,578	0.00	
TOTAL - EE	2,838,888	0.00	207,578	0.00	207,578	0.00	207,578	0.00	
PROGRAM-SPECIFIC									
GENERAL REVENUE	66,395,434	0.00	22,914,422	0.00	22,914,422	0.00	49,171,687	0.00	
TITLE XIX-FEDERAL AND OTHER	598,446,627	0.00	627,660,403	0.00	627,660,403	0.00	627,660,403	0.00	
PHARMACY REBATES	199,423,911	0.00	186,397,118	0.00	186,397,118	0.00	186,397,118	0.00	
THIRD PARTY LIABILITY COLLECT	4,229,788	0.00	4,217,574	0.00	4,217,574	0.00	4,217,574	0.00	
PHARMACY REIMBURSEMENT ALLOWAN	56,677,746	0.00	70,595,023	0.00	54,445,023	0.00	54,445,023	0.00	
HEALTH INITIATIVES	940,214	0.00	969,293	0.00	969,293	0.00	969,293	0.00	
SURPLUS REVENUE FUND	0	0.00	10,000,000	0.00	0	0.00	0	0.00	
HEALTHY FAMILIES TRUST	1,041,034	0.00	38,541,034	0.00	1,041,034	0.00	23,541,034	0.00	
LIFE SCIENCES RESEARCH TRUST	16,671,015	0.00	38,056,250	0.00	25,556,250	0.00	23,056,250	0.00	
PREMIUM	3,800,000	0.00	3,800,000	0.00	3,800,000	0.00	3,800,000	0.00	
TOTAL - PD	947,625,769	0.00	1,003,151,117	0.00	927,001,117	0.00	973,258,382	0.00	
<b>TOTAL</b>	<b>950,464,657</b>	<b>0.00</b>	<b>1,003,358,695</b>	<b>0.00</b>	<b>927,208,695</b>	<b>0.00</b>	<b>973,465,960</b>	<b>0.00</b>	
<b>Medicaid CTC - 1886018</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	38,253,188	0.00	27,442,498	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	79,804,166	0.00	47,379,591	0.00	
TOTAL - PD	0	0.00	0	0.00	118,057,354	0.00	74,822,089	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>118,057,354</b>	<b>0.00</b>	<b>74,822,089</b>	<b>0.00</b>	
<b>MHD GR Pickup - 1886017</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	76,150,000	0.00	8,850,000	0.00	
PHARMACY REBATES	0	0.00	0	0.00	0	0.00	10,000,000	0.00	

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# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>PHARMACY</b>									
<b>MHD GR Pickup - 1886017</b>									
PROGRAM-SPECIFIC									
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	0	0.00	7,300,000	0.00	
TOTAL - PD	0	0.00	0	0.00	76,150,000	0.00	26,150,000	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>76,150,000</b>	<b>0.00</b>	<b>26,150,000</b>	<b>0.00</b>	
<b>Pharmacy PMPM-Specialty - 1886016</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	23,777,372	0.00	17,524,922	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	60,258,959	0.00	54,416,425	0.00	
PHARMACY REBATES	0	0.00	0	0.00	10,476,407	0.00	13,407,710	0.00	
TOTAL - PD	0	0.00	0	0.00	94,512,738	0.00	85,349,057	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>94,512,738</b>	<b>0.00</b>	<b>85,349,057</b>	<b>0.00</b>	
<b>Pharmacy PMPM-Non Specialty - 1886025</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	6,652,918	0.00	6,439,447	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	16,860,478	0.00	11,328,220	0.00	
PHARMACY REBATES	0	0.00	0	0.00	2,931,302	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	26,444,698	0.00	17,767,667	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>26,444,698</b>	<b>0.00</b>	<b>17,767,667</b>	<b>0.00</b>	
<b>FMAP ADJUSTMENT - 1886032</b>									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	3,742,735	0.00	
TOTAL - PD	0	0.00	0	0.00	0	0.00	3,742,735	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>3,742,735</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$950,464,657</b>	<b>0.00</b>	<b>\$1,003,358,695</b>	<b>0.00</b>	<b>\$1,242,373,485</b>	<b>0.00</b>	<b>\$1,181,297,508</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Pharmacy

Budget Unit: 90541C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE		207,578		207,578
PSD	22,914,422	627,660,403	276,426,292	927,001,117
TRF				
<b>Total</b>	<b>22,914,422</b>	<b>627,867,981</b>	<b>276,426,292</b>	<b>927,208,695</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Pharmacy Rebates Fund (0114)  
Third Party Liability Collections Fund (TPL) (0120)  
Pharmacy Reimbursement Allowance Fund (0144)  
Health Initiatives Fund (HIF) (0275)  
Surplus Revenue Fund (0497)  
Healthy Families Trust Fund (0625)  
Premium Fund (0885)  
Life Sciences Research Trust Fund (0763)

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE		207,578		207,578
PSD	49,171,687	627,660,403	296,426,292	973,258,382
TRF				
<b>Total</b>	<b>49,171,687</b>	<b>627,867,981</b>	<b>296,426,292</b>	<b>973,465,960</b>

FTE

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Pharmacy Rebates Fund (0114)  
Third Party Liability Collections Fund (TPL) (0120)  
Pharmacy Reimbursement Allowance Fund (0144)  
Health Initiatives Fund (HIF) (0275)  
Surplus Revenue Fund (0497)  
Healthy Families Trust Fund (0625)  
Premium Fund (0885)  
Life Sciences Research Trust Fund (0763)

## 2. CORE DESCRIPTION

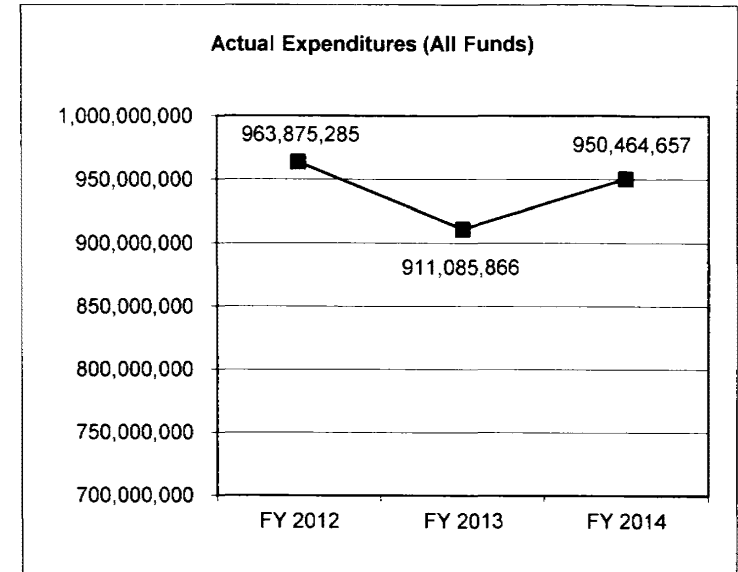
This core request is for the continued funding of the pharmacy program. This funding is necessary to maintain pharmacy reimbursement at a sufficient level to ensure quality health care and provider participation. Funding provides pharmacy services for both managed care and fee-for-service populations. Beginning on October 1, 2009, pharmacy services were carved-out of the managed care capitation rates and the state began administering the pharmacy benefit for participants enrolled in managed care.

## 3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	971,351,038	921,776,301	972,497,804	1,003,358,695
Less Reverted (All Funds)	(29,079)	(29,079)	(29,079)	N/A
Budget Authority (All Funds)	971,321,959	921,747,222	972,468,725	N/A
Actual Expenditures (All Funds)	963,875,285	911,085,866	950,464,657	N/A
Unexpended (All Funds)	7,446,674	10,661,356	22,004,068	N/A
Unexpended, by Fund:				
General Revenue	1,500,725	0	0	N/A
Federal	420,330	4,957,371	0	N/A
Other	5,525,619	5,703,985	22,004,068	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) FY12 Agency reserve of \$9,686,250 Life Science Research Fund. "E" increase of \$6,377,295 Pharmacy Rebates.

(2) FY13 Pharmacy Rebates is no longer an estimate ('E') appropriation. Expenditures of \$17,858,413 paid from Supplemental Pool. \$5,703,985 shortfall in Pharmacy FRA due to lower than projected revenues.

(3) FY14 Supplemental Budget of \$17,798,248 GR. Shortfall of \$8,885,235 of Life Sciences Fund and \$29,079 of reverted HIF funds. Expenditures of \$10,547,736 paid from Hospital Care; \$33,430,023 paid from Managed Care; \$12,245,550 paid from Supplemental Pool; \$8,113,113 paid from Clawback. \$13,118,833 shortfall in Pharmacy FRA due to lower than projected revenues.

#### 4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	Pharmacy PMPM	Acute Care PMPM	Total PMPM	Pharmacy Percentage of Acute	Pharmacy Percentage of Total
PTD	\$347.16	\$1,031.29	\$1,860.84	33.66%	18.66%
Seniors	\$34.60	\$363.32	\$1,541.27	9.52%	2.24%
Custodial Parents	\$117.19	\$468.91	\$495.28	24.99%	23.66%
Children*	\$53.66	\$276.10	\$307.93	19.43%	17.43%
Pregnant Women	\$67.91	\$596.36	\$609.11	11.39%	11.15%

Source: Table 23 Medical Statistics for FY 14. (Paid Claims Data)  
 \* CHIP eligibles not included

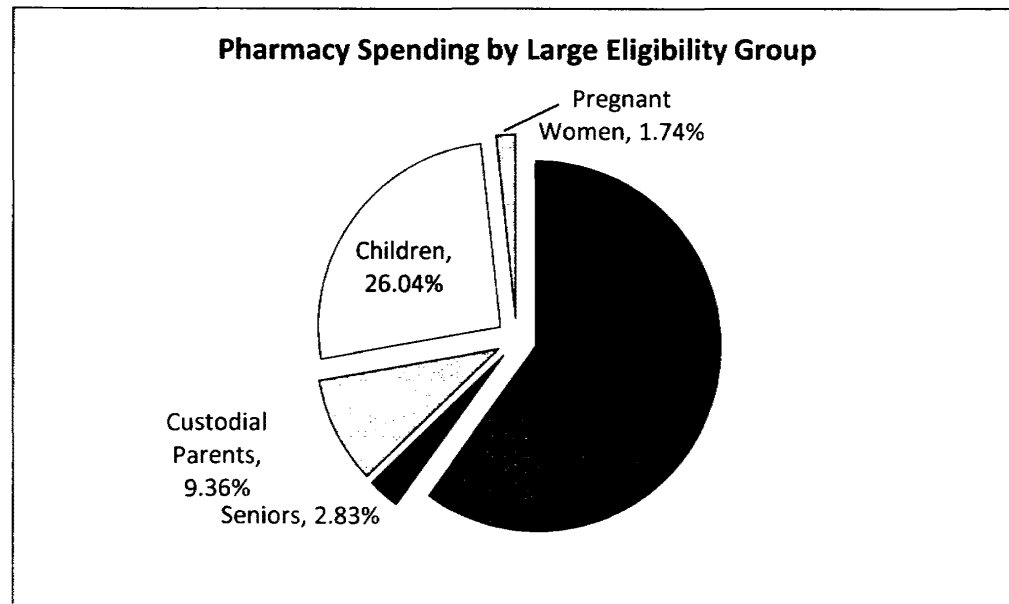
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for pharmacy, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, pharmacy, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the pharmacy PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for pharmacy services. It provides a snapshot of what eligibility groups are receiving pharmacy services, as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for FY 14. (Paid Claims Data)

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**PHARMACY**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>										
				EE	0.00	0	207,578	0	207,578	
				PD	0.00	22,914,422	627,660,403	352,576,292	1,003,151,117	
				<b>Total</b>	<b>0.00</b>	<b>22,914,422</b>	<b>627,867,981</b>	<b>352,576,292</b>	<b>1,003,358,695</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	139 5586	PD	0.00		0		0	(16,150,000)	(16,150,000)	Core reduction of PFRA fund empty authority.
Core Reduction	909 3706	PD	0.00		0		0	(37,500,000)	(37,500,000)	Core reduction of Healthy Family Trust fund empty authority.
Core Reduction	1666 9122	PD	0.00		0		0	(10,000,000)	(10,000,000)	Core reduction of Surplus Revenue fund empty authority.
Core Reduction	1667 3051	PD	0.00		0		0	(12,500,000)	(12,500,000)	Core reduction of Life Science Reserch Trust fund empty authority.
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>0</b>	<b>0</b>	<b>(76,150,000)</b>	<b>(76,150,000)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				EE	0.00	0	207,578	0	207,578	
				PD	0.00	22,914,422	627,660,403	276,426,292	927,001,117	
				<b>Total</b>	<b>0.00</b>	<b>22,914,422</b>	<b>627,867,981</b>	<b>276,426,292</b>	<b>927,208,695</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reduction	909 3706	PD	0.00		0		0	37,500,000	37,500,000	Core reduction of Healthy Family Trust fund empty authority.
Core Reduction	1667 3051	PD	0.00		0		0	12,500,000	12,500,000	Core reduction of Life Science Reserch Trust fund empty authority.
Core Reduction	2026 2525	PD	0.00			(3,742,735)	0	0	(3,742,735)	

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**PHARMACY**

**5. CORE RECONCILIATION DETAIL**

		<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reallocation	2129 3706	PD	0.00	0	0	(15,000,000)	(15,000,000)	
Core Reallocation	2129 3051	PD	0.00	0	0	(15,000,000)	(15,000,000)	
Core Reallocation	2129 2525	PD	0.00	30,000,000	0	0	30,000,000	
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>26,257,265</b>	<b>0</b>	<b>20,000,000</b>	<b>46,257,265</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		EE	0.00	0	207,578	0	207,578	
		PD	0.00	49,171,687	627,660,403	296,426,292	973,258,382	
<b>Total</b>			<b>0.00</b>	<b>49,171,687</b>	<b>627,867,981</b>	<b>296,426,292</b>	<b>973,465,960</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	2,838,888	0.00	207,578	0.00	207,578	0.00	207,578	0.00
TOTAL - EE	2,838,888	0.00	207,578	0.00	207,578	0.00	207,578	0.00
PROGRAM DISTRIBUTIONS	947,625,769	0.00	1,003,151,117	0.00	927,001,117	0.00	973,258,382	0.00
TOTAL - PD	947,625,769	0.00	1,003,151,117	0.00	927,001,117	0.00	973,258,382	0.00
<b>GRAND TOTAL</b>	<b>\$950,464,657</b>	<b>0.00</b>	<b>\$1,003,358,695</b>	<b>0.00</b>	<b>\$927,208,695</b>	<b>0.00</b>	<b>\$973,465,960</b>	<b>0.00</b>
GENERAL REVENUE	\$68,045,434	0.00	\$22,914,422	0.00	\$22,914,422	0.00	\$49,171,687	0.00
FEDERAL FUNDS	\$599,635,515	0.00	\$627,867,981	0.00	\$627,867,981	0.00	\$627,867,981	0.00
OTHER FUNDS	\$282,783,708	0.00	\$352,576,292	0.00	\$276,426,292	0.00	\$296,426,292	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Pharmacy**

**Program is found in the following core budget(s): Pharmacy**

### 1. What does this program do?

This Pharmacy Services section provides funding for prescription drugs produced by manufacturers for which there exists a rebate agreement between the manufacturer and the federal Department of Health and Human Services (HHS) and dispensed by qualified providers. Since January 1, 1991, the MO HealthNet program has provided reimbursement for all outpatient drugs (except for those which are specifically excluded) for which there is a manufacturer's rebate agreement. While over-the-counter products do not require a prescription for sale to the general public, a prescription for those selected types of over-the-counter products that qualify for MO HealthNet coverage is required in order for the product to be reimbursable. In general terms, MO HealthNet drug reimbursement is made at the lower of: the Wholesale Acquisition Cost (WAC) plus 10%; the Federal Upper Limit (FUL); the Missouri Maximum Acquisition Cost (MAC); or the billed charge. MO HealthNet uses its electronic tools incorporating clinical criteria derived from best practices and evidence-based medical information to adjudicate claims through Clinical Edits, Preferred Drug List Edits, and Prior Authorization.

The U.S. Congress created the Medicaid outpatient prescription drug rebate program when it enacted the Omnibus Budget Reconciliation Act of 1990 (OBRA '90). The goal of the program is to reduce the cost of outpatient prescription drugs by requiring drug manufacturers to pay a rebate directly to state Medicaid programs. The purpose of the program is to reduce the cost of prescription drugs without placing an undue burden on pharmacies by requiring the drug manufacturers to pay a rebate directly to the state Medicaid programs. The intent of this rebate is to allow the state and federal governments to receive price reductions similar to those received by other high volume purchasers of drugs.

#### Rebate Program

OBRA '90 requires all drug manufacturers to enter into a drug rebate agreement with the Department of Health and Human Services before their product lines will be eligible for coverage by Medicaid. Currently, 626 manufacturers have signed agreements with Centers for Medicare and Medicaid Services (CMS) and participate in the Drug Rebate Program. For MHN participants, approximately 400 manufacturers have products dispensed and are invoiced quarterly. Once the drug manufacturer has entered into the agreement, the state Medicaid programs are required to provide coverage of the manufacturers' drug products. However, the state has the option of excluding certain categories of the manufacturer's products or requiring prior authorization for reimbursement of products. Manufacturers are required to calculate and make rebate payments to the state Medicaid agency for the manufacturer's covered outpatient drugs reimbursed by the state during each quarter. Manufacturers are to be invoiced no later than sixty days after the end of each calendar quarter and are required to make payment for the calculated drug rebate directly to the state Medicaid program within 38 days of invoicing. For generic drugs, the rebate amount is currently 11% of Average Manufacturer Price (AMP). For single-source drugs, the rebate is the greater of 15% of AMP or the difference between the AMP and the manufacturer's "best price", plus CPI-U factors. Beginning in 2010, Federal regulations increased the minimum rebate from 15% to 23% for single-source drugs. These same regulations also required that 100% of these increased rebates are remitted to the federal government, instead of being shared at the normal federal matching rate. The manufacturer has the option of disputing the calculated drug rebate amount if the manufacturer disagrees with the state's drug utilization data. The manufacturer is required to report the nature of the dispute to the state, and the state is then responsible for resolving the dispute through negotiation or a hearing process, if necessary. Approximately 37% of the total rebates collected are used as a state share funding source rather than using General Revenue funds. The approximate 63% federal share of the rebates collected is returned to the federal government.

### Prior Authorization

Any covered outpatient drug can be subject to prior authorization. Effective August 1, 1992, a prior authorization (PA) process was implemented for certain specific drugs under the pharmacy program.

Drug PA requests are received via telephone, fax or mail. All requests for drug PA must be initiated by a physician or authorized prescriber (advanced practice nurse) with prescribing authority for the drug category for which a PA is being requested. As specified in OBRA 90, drug PA programs must provide a response by telephone or other telecommunication device within 24 hours of receipt. All requests must include all required information. Requests received with insufficient information for review or received from someone other than a physician or authorized prescriber will not initiate a PA review nor the 24-hour response period. Drug PA requests received via telephone are keyed on-line and notification of approval will be given at the time of the call or by return FAX or phone call. The MO HealthNet Technicians who staff this hotline work through algorithms developed by the Drug Prior Authorization Committee with the assistance of UMKC-DIC, School of Pharmacy. These algorithms are sets of questions used to make a determination to approve or deny the request. Making the prior authorization determination on-line allows the PA file to be updated immediately. For approvals, the requestor will be given an authorization period. Pharmacies may record this information for this purpose as well.

### Board and Committee Support and Oversight

The MO HealthNet Division operates both prospective and retrospective Drug Utilization Review (DUR) as required by federal and state law. The DUR program is focused on educating health care providers in the appropriate use of medications, and informing them of potential drug therapy problems found in the review of drug and diagnostic information obtained from MO HealthNet claims history. The DUR Board is central to all DUR program activities, and its duties and membership requirements are specified in state and federal law. DUR Board members are appointed by the Governor with advice and consent of the Senate, and its 13 members include six physicians, six pharmacists, and one quality assurance nurse. In an ongoing process, the DUR Board reviews and makes changes to the clinical therapeutic criteria used to generate prospective and retrospective DUR interventions. The DUR Board also advises the Division on other issues related to appropriate drug therapy and produces a quarterly newsletter for providers on selected drug topics. In addition to the Board, a Regional DUR Committee, comprised of physicians and pharmacists, evaluates individual participants' retrospective drug regimens and advises their providers on appropriate drug use or potentially problematic drug therapies.

The MO HealthNet Drug Prior Authorization (PA) Committee is established in state regulation. This advisory committee is charged with reviewing drugs and recommending those drugs which are appropriate for reimbursement as a regular benefit verses those which should be placed on prior authorization status. All such recommendations made by the Drug PA Committee are referred to the DUR Board, as they are the statutorily-appointed advisory group for final recommendation to the Division.

### Cost Containment Initiatives

As a result of new drugs, rapidly changing prescribing patterns and increased expenditures in the MO HealthNet fee-for-service pharmacy program, the MO HealthNet program continues to implement a number of administrative measures to ensure the economic and efficient provision of the MO HealthNet pharmacy benefit. These strategies have been developed through recommendations from a number of sources, including affected state agencies, provider groups, and the pharmaceutical industry. The intent of these initiatives is to ensure that MO HealthNet participants get the right drug to meet their needs, in the right amount and for the right period of time. Examples of some of the cost containment initiatives include:

**Expanded Missouri Maximum Allowable Cost (MAC) List:** The list of drugs for which the state agency has established a generic reimbursement limit will be monitored and expanded on a regular basis. A mechanism is in place to review existing MACs as well as identifying new generic drugs for addition to this list, as they become available. This optimizes generic utilization in the MO HealthNet program.



The Preferred Drug List (PDL) utilizes information from various clinical sources, including the UMKC Drug Information Center, the Oregon Evidence-Based Drug Research Consortium, our clinical contractors, and our own clinical research team. Clinical information is paired with fiscal evaluation to develop a therapeutic class recommendation. The resulting PDL process incorporates clinical edits, including step therapies, into the prescription drug program. Clinical edits are designed to enhance patient care and optimize the use of program funds through therapeutically prudent use of pharmaceuticals. Point-of-sale (POS) pharmacy claims are routed through an automated computer system to apply edits specifically designed to ensure effective and appropriate drug utilization. The goal is to encourage cost effective therapy within the selected drug class.

Specialty medications include high-cost injectable, infused, oral, or inhaled drugs that involve specific handling, supervision or monitoring. MO HealthNet will continue to review specialty medications within each of the therapeutic categories to identify clinical editing, preferred drug list (PDL) and prior authorization (PA) opportunities. MO HealthNet is focusing on opportunities to reduce expenditures without compromising participant outcomes. One example is the Missouri Maximum Allowable Cost (MAC) Pricing for Specialty Drugs. The MAC specialty program follows MO HealthNet pricing methodology, utilizing Wholesale Acquisition Cost (WAC), pricing generally available to providers, as a basis for pricing the identified specialty medications. In accordance with MO HealthNet MAC program policy, MO HealthNet staff monitors and updates the more inclusive Missouri MAC list.

**Edits - Dose Optimization:** Effective for dates of service on or after April 16, 2002, claims submitted to the MO HealthNet Pharmacy Program are subject to edits to identify claims for pharmacy services that fall outside expected patterns of use for certain products. Overrides to these edit denials can be processed through the help desk. Justification for utilization outside expected patterns such as FDA approved labeling is required for approval of such an override.

**Pharmacy Provider Tax:** The Missouri General Assembly passed legislation establishing a tax on licensed retail pharmacies in Missouri for the privilege of providing outpatient prescription drugs. The Department of Social Services has notified each pharmacy of the amount of tax due. The tax began in 2002. Effective July 1, 2007, Missouri pharmacies were given an enhanced dispensing fee of \$4.82, for a total dispensing fee of \$9.66.

Effective for dates of service January 1, 2010 and beyond, the MO HealthNet Pharmacy Program began paying pharmacy providers a generic product preferred incentive fee. This program initiative will continue to emphasize the preference for generic utilization within the MO HealthNet pharmacy program by paying pharmacy providers an enhanced incentive fee of \$4.00 for each eligible claim.

**Prior Authorization of All New Drugs:** Prior authorization is required for all new drug entities and new drug product dosage forms of these products through existing drug entities that have been approved by the Food and Drug Administration and are available on the market. After identifying First Data Bank's weekly updates, the medications are reviewed for medical and clinical criteria along with pharmacoeconomic impact to the pharmacy program.

In December 2003, the MHD moved diabetic testing supplies and syringes from the DME program to the pharmacy program, and initiated a single source diabetic testing supply initiative, continuing to encourage patient blood glucose testing while minimizing state expenditures. In April 2005, the pharmacy program moved to a multi-source diabetic testing supplies initiative. Diabetic testing supply products and syringes are now available in preferred status from multiple manufacturers, providing greater participant choice.

**Enhanced Retrospective Drug Utilization:** Enhanced Retrospective Drug Utilization involves retroactively reviewing population based patterns of drug use to compare those patterns to approved therapeutic guidelines in order to determine the appropriateness of care, length of treatment, drug interaction, and other clinical issues.

**Provider Audits:** Daily provider audits are performed by MHD/WiPro staff for the identification and resolution of potential recoupments.

### 340B Drug Repricing

340b covered entities are eligible to purchase discounted drugs through the Public Health Service's 340b Drug Discount program. Examples of 340b entities include federally qualified health centers, hemophilia treatment centers, disproportionate share hospitals, sole community hospitals, AIDS drug assistance, and family planning clinics. The MHD is working collaboratively with stakeholders to encourage 340b participation by covered entities; by working with covered entities, savings from 340b pricing for MO HealthNet participants' scripts is shared with the Medicaid program. MHD is in the process of finalizing a 340b agreement with hemophilia treatment centers and is in the planning stages of identifying new stakeholder groups with work with.

### Clinical Management Services Program (CMSP)

Through a contract with Xerox (formerly ACS-Heritage), MHD operates an innovative electronic web-based clinical editing process for its point-of-sale pharmacy and medical claims, medical and drug prior authorization, and Drug Utilization Review (DUR) processes. The current CMSP claim processing system allows each claim to be referenced against the participant's claims history including pharmacy, medical and procedural data (ICD-9 and CPT codes), providing real time data to participating MO HealthNet providers. For patients that meet approval criteria, the claim will be paid automatically. In instances when a phone call is necessary, the hotline call center is available seven days a week, which allows providers prompt access to a paid claim for the requested product or service. In addition to receiving messages regarding the outcome of the processing of claims and the amount to be reimbursed, pharmacy providers receive prospective drug use review alert messages at the time prescriptions are dispensed.

The contract with Xerox (formerly ACS-Heritage) utilizes their *CyberAccess*<sup>SM</sup> tool to create integrated patient profiles containing prescription information, as well as patient diagnoses and procedure codes for a running 24 months of history. *CyberAccess*<sup>SM</sup> provides: participant claims history profiles, updated daily, identifying all drugs, procedures, related diagnoses and ordering providers from claims paid by MHD for a rolling 36 month period; and three years of point of sale (POS) pharmacy claims refreshed every ten (10) minutes.

Point-of-Service pharmacy - Claims are routed through Xerox's automated system to apply edits specifically designed to assure effective utilization of pharmaceuticals. The edits are founded on evidence-based clinical and nationally recognized expert consensus criteria. Claims will continue to be processed by WiPro for all other edits and final adjudication. After processing by Xerox and WiPro, the claim is sent back to the provider with a total processing time of approximately 10 seconds. Claims which are denied by the system edits will require an override from the existing help desk. Providers seeking an override must contact the help desk for approval, which will be granted if medically necessary.

Fiscal and Clinical Edits - This initiative optimizes the use of program funds and enhances patient care through improved use of pharmaceuticals. Since the implementation of the Omnibus Budget Reduction Act of 1990 (OBRA 90), education on the use of pharmaceuticals has been accomplished primarily through DUR. However, the prospective DUR alerts currently generated by the fiscal agent have been largely ignored by pharmacy providers as they are more general in nature and few are tied to claim reimbursement. Other third party payers have successfully utilized more extensive evidence based claims screening edits in an effort to control costs. Such edits are applicable within the Medicaid program to achieve similar cost controls.

Drug Utilization Review: This process is currently provided by Xerox, and will be an extension of the current process with some enhancements. Under the new contract, this initiative will utilize the same database/computer system as the previously described components. This system uses a relational database capable of interfacing MO HealthNet paid claims history with flexible, high quality clinical evaluation criteria. The process is designed to identify high-risk drug use patterns among physicians, pharmacists, and beneficiaries, and to educate providers (prescribers and dispensers) in appropriate and cost-effective drug use. This process is capable of identifying providers prescribing and dispensing practices which deviate from defined standards, as well as generate provider profiles and ad hoc reports for specified provider and participant populations. The goal of the program is to maximize drug therapy and outcomes, and optimize expenditures for health care.

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

Statute: RSMo. 208.152, 208.166, Federal law: Social Security Act Section 1902(a)(12), Federal regulation: 42 CFR 440.120

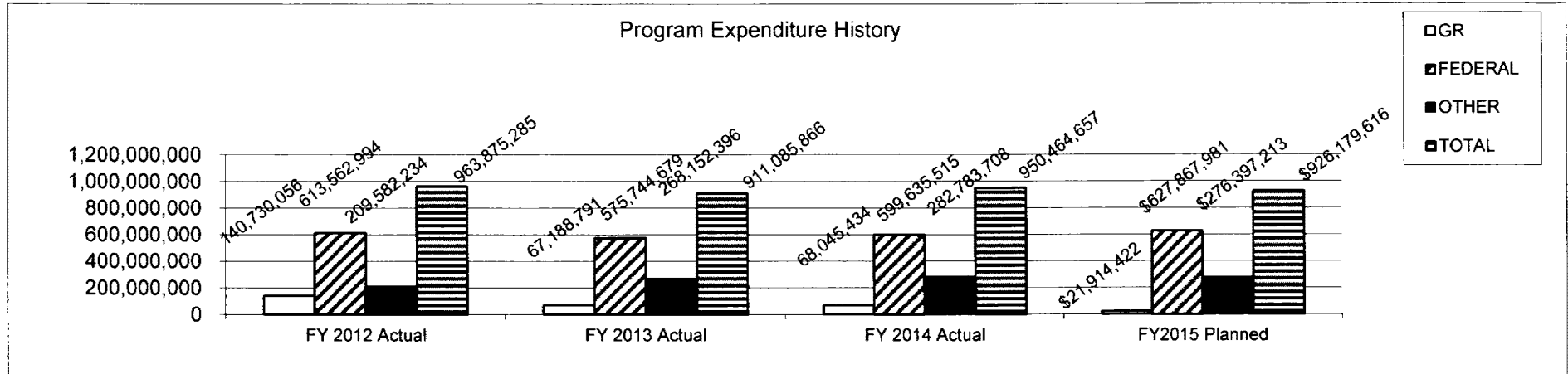
### **3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is a blended 63.095% federal match. The state matching requirement is 36.905%.

**4. Is this a federally mandated program? If yes, please explain.**

Yes, for children if medically necessary health services are identified under the EPSDT program. No for adults.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

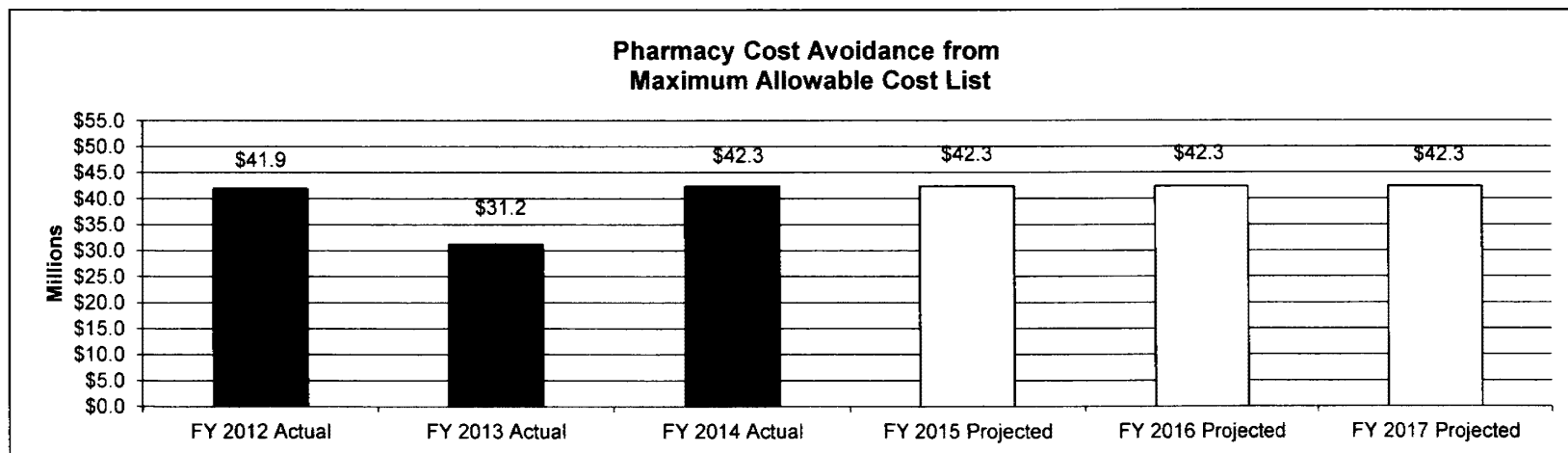


FY 2015 planned is net of reverted and reserved. Reverted: \$29,079 Other Funds; Reserves: \$76.2 million. Restricted: \$500,000 GR.

**6. What are the sources of the "Other " funds?**

Pharmacy Reimbursement Allowance Fund (0144), Pharmacy Rebates Fund (0114), Health Initiatives Fund (0275), Third Party Liability Fund (0120), Healthy Families Trust Fund (0625), Premium (0885) and Life Sciences Research Trust Fund (0763).

**7a. Provide an effectiveness measure.**



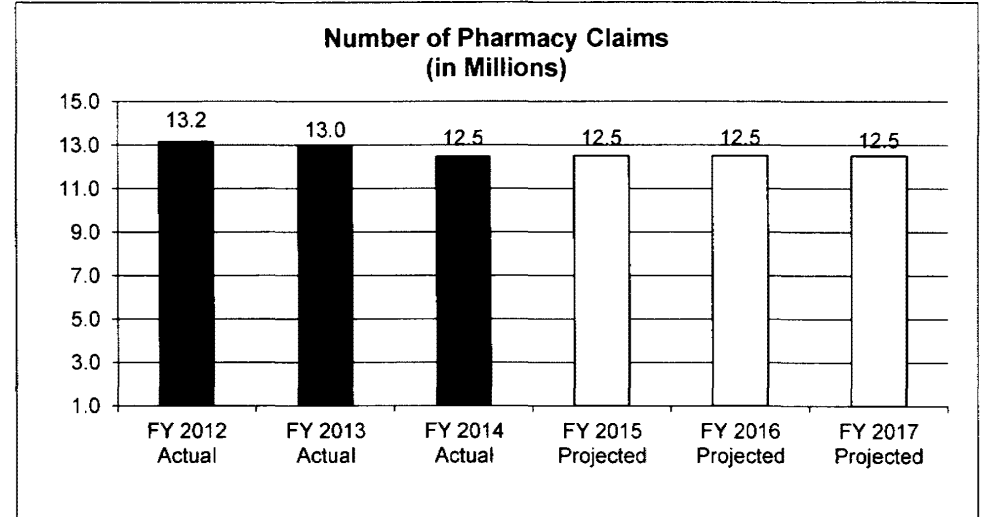
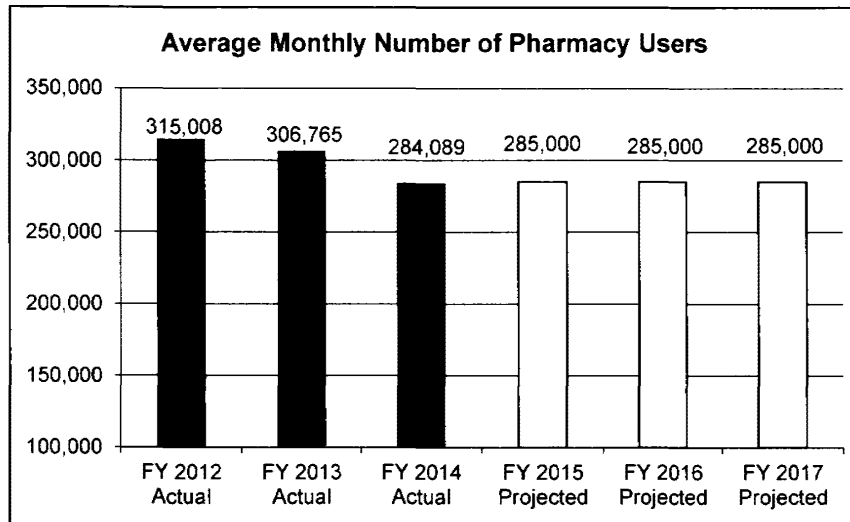
Cost avoidance is realized when MHD establishes the maximum reimbursement amount on generic drugs. Past fiscal year numbers have been updated to reflect more accurate information.

**7b. Provide an efficiency measure.**

N/A

**7c. Provide the number of clients/individuals served, if applicable.**

Pharmacy services are available to all MO HealthNet participants. Pharmacy services for both fee-for-service and managed care are paid from the pharmacy section.



**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>PHARMACY-MED PART D-CLAWBACK</b>									
<b>CORE</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	200,480,745	0.00	173,348,532	0.00	173,348,532	0.00	173,348,532	0.00	0.00
TOTAL - PD	200,480,745	0.00	173,348,532	0.00	173,348,532	0.00	173,348,532	0.00	0.00
<b>TOTAL</b>	<b>200,480,745</b>	<b>0.00</b>	<b>173,348,532</b>	<b>0.00</b>	<b>173,348,532</b>	<b>0.00</b>	<b>173,348,532</b>	<b>0.00</b>	<b>0.00</b>
<b>Medicaid CTC - 1886018</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	10,211,877	0.00	9,780,994	0.00	0.00
TOTAL - PD	0	0.00	0	0.00	10,211,877	0.00	9,780,994	0.00	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>10,211,877</b>	<b>0.00</b>	<b>9,780,994</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$200,480,745</b>	<b>0.00</b>	<b>\$173,348,532</b>	<b>0.00</b>	<b>\$183,560,409</b>	<b>0.00</b>	<b>\$183,129,526</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Pharmacy - Medicare Part D Clawback

Budget Unit: 90543C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	173,348,532			173,348,532
TRF				
Total	<u>173,348,532</u>	<u>0</u>	<u>0</u>	<u>173,348,532</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	173,348,532			173,348,532
TRF				
Total	<u>173,348,532</u>			<u>173,348,532</u>
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

## 2. CORE DESCRIPTION

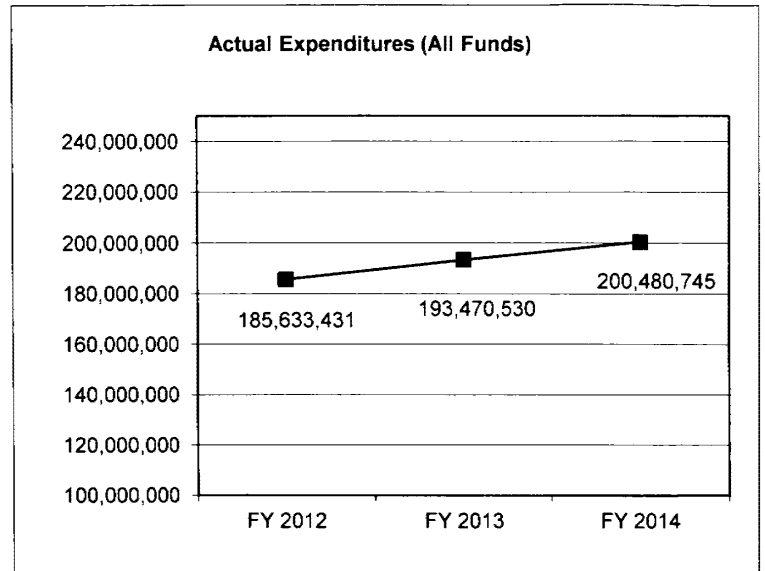
This core request is for the continued funding of the Medicare Part D Clawback. Part of the Medicare Prescription Drug Act requires States to pay Medicare a portion of the cost of Part D drugs attributable to what would have been paid for by the State absent the Part D drug benefit.

## 3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy-Medicare Part D Clawback

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	186,236,499	193,470,530	200,480,745	173,348,532
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	186,236,499	193,470,530	200,480,745	N/A
Actual Expenditures (All Funds)	185,633,431	193,470,530	200,480,745	N/A
Unexpended (All Funds)	603,068	0	0	N/A
Unexpended, by Fund:				
General Revenue	603,068	0	0	N/A
Federal	1	0	0	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	(4)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) FY12 "E" increase of \$5,566,226.

(2) FY13 Estimated appropriation or "E" status was removed. \$2,379,722 Paid from Supplemental Pool.

(3) FY14 \$8,113,113.08 of expenditures are for Pharmacy.

(4) FY15 Core reduction of \$27,132,213.



**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**PHARMACY-MED PART D-CLAWBACK**

**5. CORE RECONCILIATION DETAIL**

	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	PD	0.00	173,348,532	0	0	173,348,532	
	<b>Total</b>	<b>0.00</b>	<b>173,348,532</b>	<b>0</b>	<b>0</b>	<b>173,348,532</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	PD	0.00	173,348,532	0	0	173,348,532	
	<b>Total</b>	<b>0.00</b>	<b>173,348,532</b>	<b>0</b>	<b>0</b>	<b>173,348,532</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	PD	0.00	173,348,532	0	0	173,348,532	
	<b>Total</b>	<b>0.00</b>	<b>173,348,532</b>	<b>0</b>	<b>0</b>	<b>173,348,532</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY-MED PART D-CLAWBACK</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	200,480,745	0.00	173,348,532	0.00	173,348,532	0.00	173,348,532	0.00
TOTAL - PD	200,480,745	0.00	173,348,532	0.00	173,348,532	0.00	173,348,532	0.00
<b>GRAND TOTAL</b>	<b>\$200,480,745</b>	<b>0.00</b>	<b>\$173,348,532</b>	<b>0.00</b>	<b>\$173,348,532</b>	<b>0.00</b>	<b>\$173,348,532</b>	<b>0.00</b>
GENERAL REVENUE	\$200,480,745	0.00	\$173,348,532	0.00	\$173,348,532	0.00	\$173,348,532	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department:** Social Services

**Program Name:** Pharmacy - Medicare Part D Clawback

**Program is found in the following core budget(s):** Pharmacy - Medicare Part D Clawback

### 1. What does this program do?

The Medicare Prescription Drug Improvement and Modernization Act (MMA) of 2003 required that all individuals who are eligible for both Medicare and MO HealthNet receive their prescription drugs through the Medicare Part D program. This change resulted in a significant shift in benefits for elderly and disabled dual eligible participants because they receive their drugs through a prescription drug plan (PDP) rather than through the state's MO HealthNet program.

The federal government refers to this payment as the "Phased-down State Contribution", whereas the states more appropriately refer to the payment as the "clawback". This clawback payment is, in effect, a funding source for the Medicare Part D program. In theory, it uses the General Revenue that the state would have paid for the MO HealthNet pharmacy benefit for funding the Part D program.

States are required to make a monthly payment to the federal government to, in effect, re-direct the money that the states would have spent on providing prescription drugs to participants in the MO HealthNet program. The clawback consists of a monthly calculation based on the combination of (a) the state's per capita spending on prescription drugs in 2003, (b) the state's federal Medicaid match rate, (c) the number of dual eligible's residing in the state, and (d) a "phase-down percentage" of state savings to be returned to the federal government beginning with 90 percent in 2006 and phasing down to 75 percent in 2015. The phased-down percentage for CY 2016 is 75.00%.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Medicare Prescription Drug Improvement and Modernization Act (MMA) of 2003, P.L. 108-173.

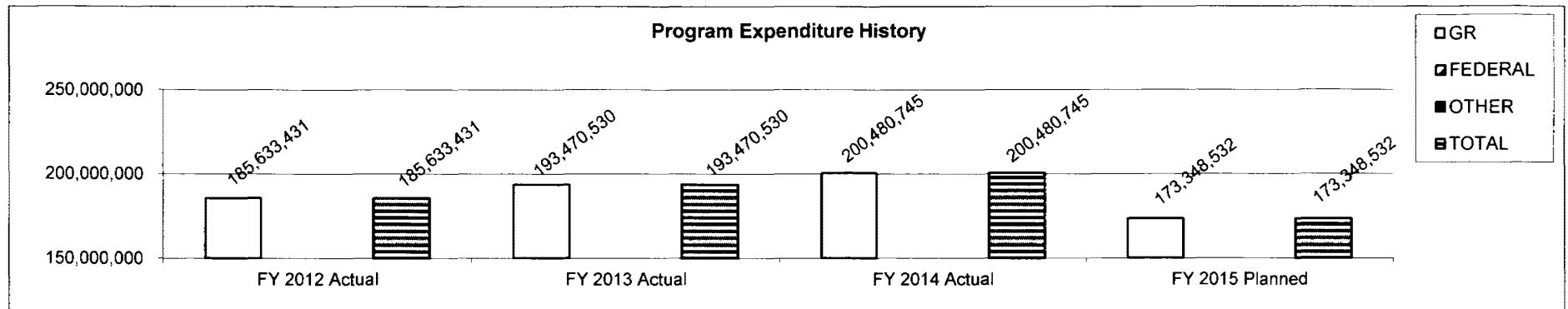
### 3. Are there federal matching requirements? If yes, please explain.

No.

### 4. Is this a federally mandated program? If yes, please explain.

Yes. The states are required to make a monthly payment to the federal government to re-direct the money that the states would have spent on providing prescription drugs to participants in MO HealthNet.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

N/A

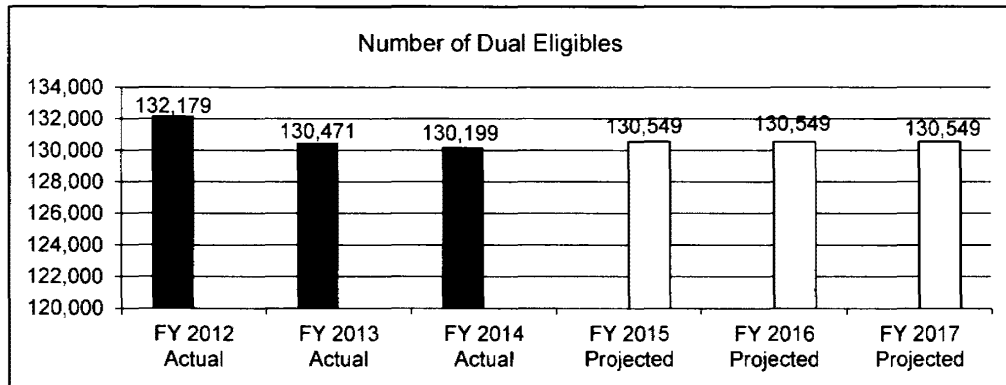
**7a. Provide an effectiveness measure.**

N/A

**7b. Provide an efficiency measure.**

N/A

**7c. Provide the number of clients/individuals served, if applicable.**



**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>MISSOURI RX PLAN</b>									
<b>CORE</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	5,967,918	0.00	6,370,046	0.00	11,208,703	0.00	11,208,703	0.00	
HEALTHY FAMILIES TRUST	4,838,657	0.00	4,838,657	0.00	0	0.00	0	0.00	
MISSOURI RX PLAN FUND	10,723,408	0.00	12,544,388	0.00	6,982,425	0.00	6,982,425	0.00	
TOTAL - PD	21,529,983	0.00	23,753,091	0.00	18,191,128	0.00	18,191,128	0.00	
<b>TOTAL</b>	<b>21,529,983</b>	<b>0.00</b>	<b>23,753,091</b>	<b>0.00</b>	<b>18,191,128</b>	<b>0.00</b>	<b>18,191,128</b>	<b>0.00</b>	
<b>MHD GR Pickup - 1886017</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	5,561,963	0.00	5,561,963	0.00	
TOTAL - PD	0	0.00	0	0.00	5,561,963	0.00	5,561,963	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>5,561,963</b>	<b>0.00</b>	<b>5,561,963</b>	<b>0.00</b>	
<b>MO Rx Increase - 1886026</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	836,413	0.00	836,413	0.00	
TOTAL - PD	0	0.00	0	0.00	836,413	0.00	836,413	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>836,413</b>	<b>0.00</b>	<b>836,413</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$21,529,983</b>	<b>0.00</b>	<b>\$23,753,091</b>	<b>0.00</b>	<b>\$24,589,504</b>	<b>0.00</b>	<b>\$24,589,504</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Missouri Rx Plan

Budget Unit: 90538C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	11,208,703		6,982,425	18,191,128
TRF				
Total	11,208,703	0	6,982,425	18,191,128
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Missouri Rx Plan Fund (0779)  
Healthy Families Trust Fund (0625)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	11,208,703		6,982,425	18,191,128
TRF				
Total	11,208,703	0	6,982,425	18,191,128
FTE				

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Missouri Rx Plan Fund (0779)  
Healthy Families Trust Fund (0625)

## 2. CORE DESCRIPTION

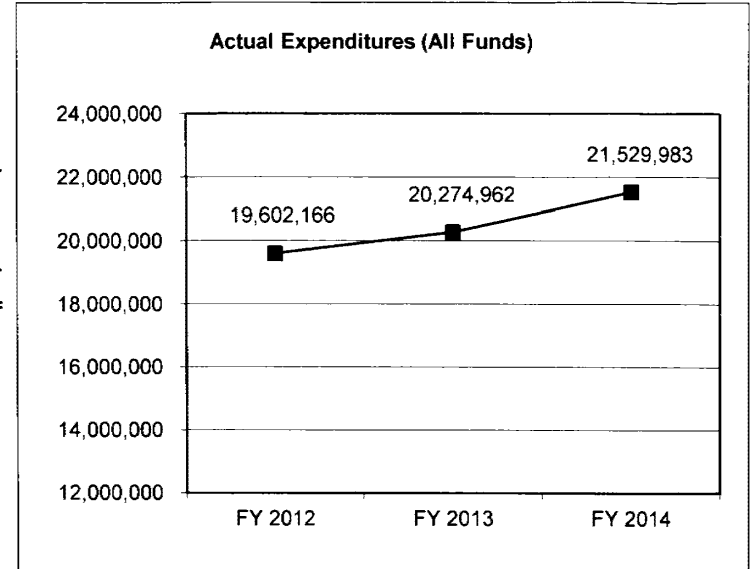
The Missouri Rx Plan provides certain pharmaceutical benefits to certain low-income elderly and disabled residents of the state, facilitates coordination of benefits between the Missouri Rx plan and the federal Medicare Part D drug benefit program established by the Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA), P.L. 108-173 and enrolls individuals in the program.

## 3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy services under MMA - Part D

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	21,672,666	24,385,543	23,753,091	23,753,091
Less Reverted (All Funds)	0	0	(191,101)	N/A
Budget Authority (All Funds)	21,672,666	24,385,543	23,561,990	N/A
Actual Expenditures (All Funds)	19,602,166	20,274,962	21,529,983	N/A
Unexpended (All Funds)	2,070,500	4,110,581	2,032,007	N/A
Unexpended, by Fund:				
General Revenue	0	0	211,027	N/A
Federal	0	0	0	N/A
Other	2,070,500	4,110,581	1,820,980	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

- (1) FY12 "E" increase of \$2,070,500 in Missouri Rx Plan Fund
- (2) FY13 Estimated appropriation or "E" was removed.
- (3) FY14 GR lapse of \$211,027 due to fund switches for reduced availability of GR.



**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**MISSOURI RX PLAN**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>				PD	0.00	6,370,046	0	17,383,045	23,753,091	
				<b>Total</b>	<b>0.00</b>	<b>6,370,046</b>	<b>0</b>	<b>17,383,045</b>	<b>23,753,091</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	1224	1024	PD	0.00	0	0	(5,561,963)	(5,561,963)		Core reduction of MO Rx Fund empty authority- corresponding GR Pickup NDI.
Core Reallocation	140	4235	PD	0.00	4,838,657	0	0	4,838,657		Core reallocation of General Revenue from Physician Related Services for Healthy Family Trust Fund
Core Reallocation	140	3705	PD	0.00	0	0	(4,838,657)	(4,838,657)		Core reallocation of General Revenue from Physician Related Services for Healthy Family Trust Fund
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>4,838,657</b>	<b>0</b>	<b>(10,400,620)</b>	<b>(5,561,963)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
			PD	0.00	11,208,703	0	6,982,425	18,191,128		
			<b>Total</b>	<b>0.00</b>	<b>11,208,703</b>	<b>0</b>	<b>6,982,425</b>	<b>18,191,128</b>		
<b>GOVERNOR'S RECOMMENDED CORE</b>										
			PD	0.00	11,208,703	0	6,982,425	18,191,128		
			<b>Total</b>	<b>0.00</b>	<b>11,208,703</b>	<b>0</b>	<b>6,982,425</b>	<b>18,191,128</b>		

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MISSOURI RX PLAN</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	21,529,983	0.00	23,753,091	0.00	18,191,128	0.00	18,191,128	0.00
TOTAL - PD	21,529,983	0.00	23,753,091	0.00	18,191,128	0.00	18,191,128	0.00
<b>GRAND TOTAL</b>	<b>\$21,529,983</b>	<b>0.00</b>	<b>\$23,753,091</b>	<b>0.00</b>	<b>\$18,191,128</b>	<b>0.00</b>	<b>\$18,191,128</b>	<b>0.00</b>
GENERAL REVENUE	\$5,967,918	0.00	\$6,370,046	0.00	\$11,208,703	0.00	\$11,208,703	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$15,562,065	0.00	\$17,383,045	0.00	\$6,982,425	0.00	\$6,982,425	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Missouri Rx Plan**

**Program is found in the following core budget(s): Missouri Rx Plan**

### 1. What does this program do?

S.B. 539 (2005) established a state pharmaceutical assistance program known as the Missouri Rx (MoRx) Plan. The purpose of this program is to coordinate pharmaceutical benefits between the Missouri Rx plan and the federal Medicare Part D drug program for Medicare/Medicaid full dual eligibles, partial duals and other elderly and disabled Missourians below 185% of the Federal Poverty Level (FPL). Subject to appropriation, the Missouri Rx plan pays 50% of members' out of pocket costs remaining after their Medicare Prescription Drug Plan pays. Missouri Rx pays for 50% of the deductible, 50% of the co-pays before the coverage gap, 50% of the coverage gap and 50% of the co-pays in the catastrophic coverage.

MoRx works with all Medicare Part D plans to provide members with the best possible prescription drug coverage. The preferred plans provide MoRx members with high quality, affordable prescription drug coverage by offering easier access to a broader drug formulary with fewer medication restrictions.

This program will sunset on August 28, 2017

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.780 through 208.798; Federal law: Medicare Prescription Drug Improvement and Modernization Act of 2003, P.L. 108-173.

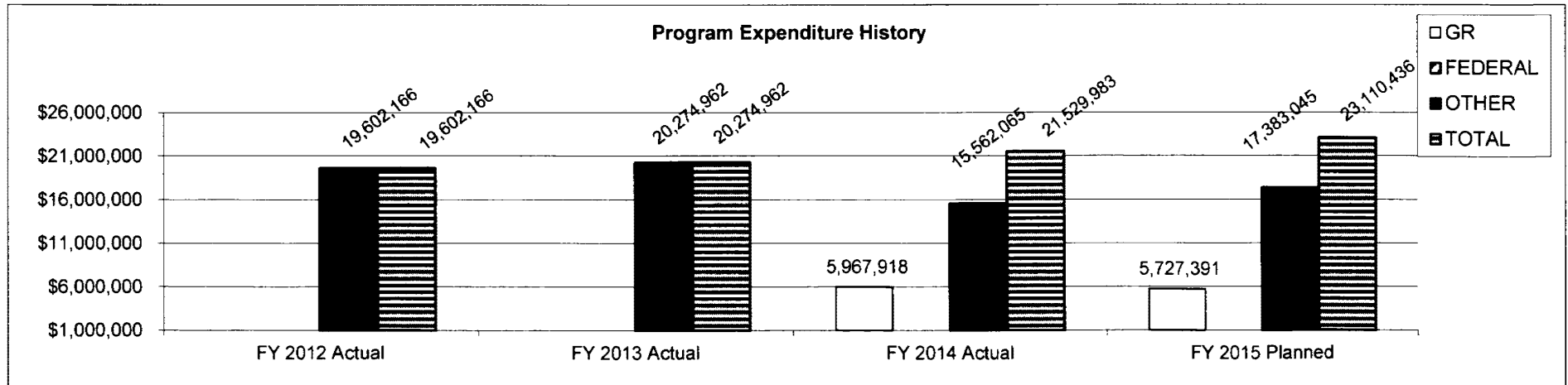
### 3. Are there federal matching requirements? If yes, please explain.

No. This program is funded with 100% state sources.

### 4. Is this a federally mandated program? If yes, please explain.

No.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

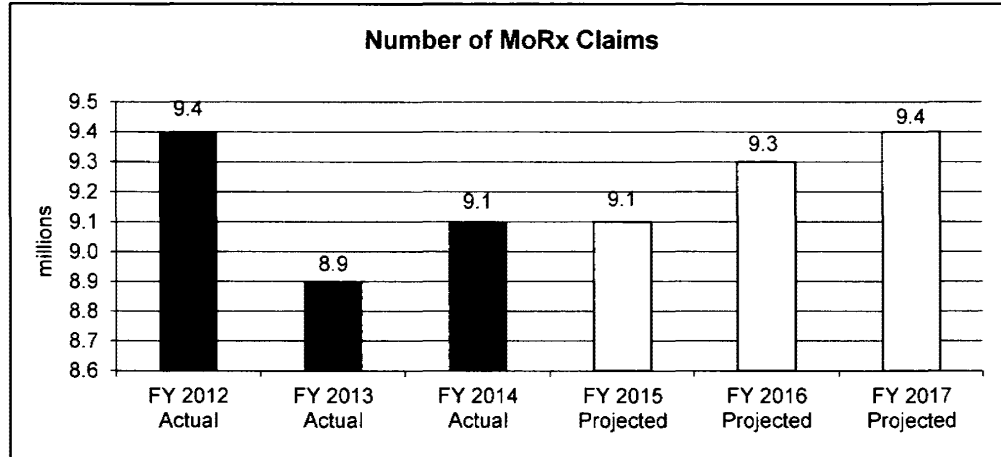


FY 2015 planned is a net of reverted and reserves. Reverted \$191,101 GR. Restricted: \$451,554 GR.

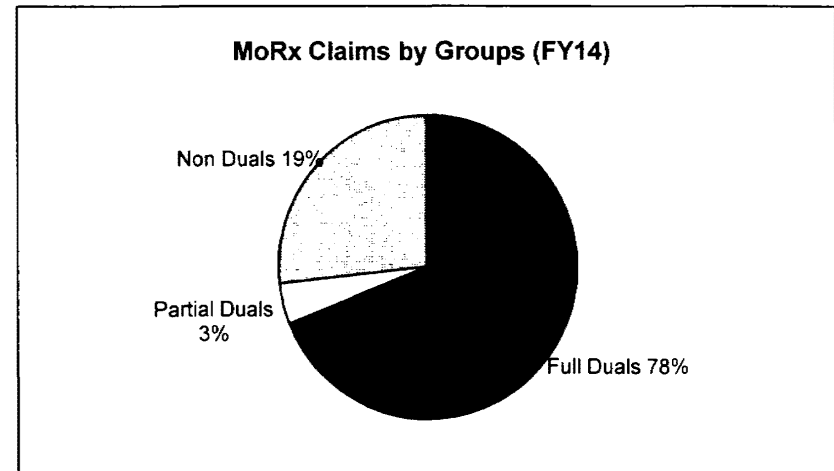
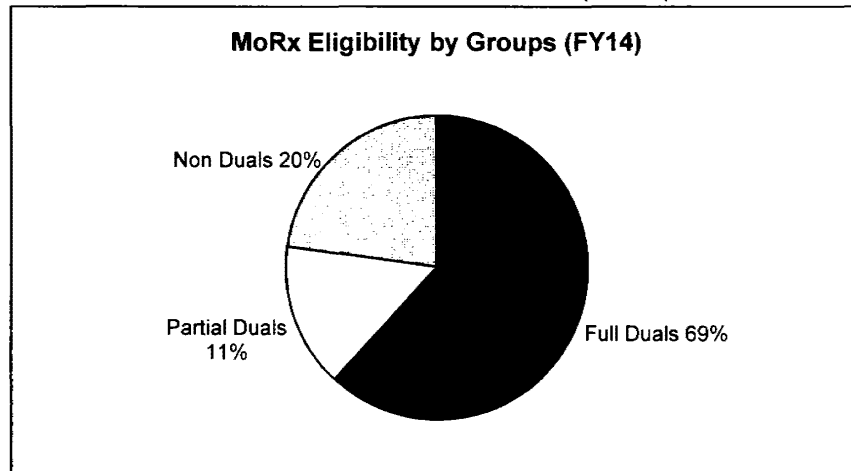
**6. What are the sources of the "Other " funds?**

Missouri Rx Plan Fund (0779) and Healthy Families Trust Fund (0625).

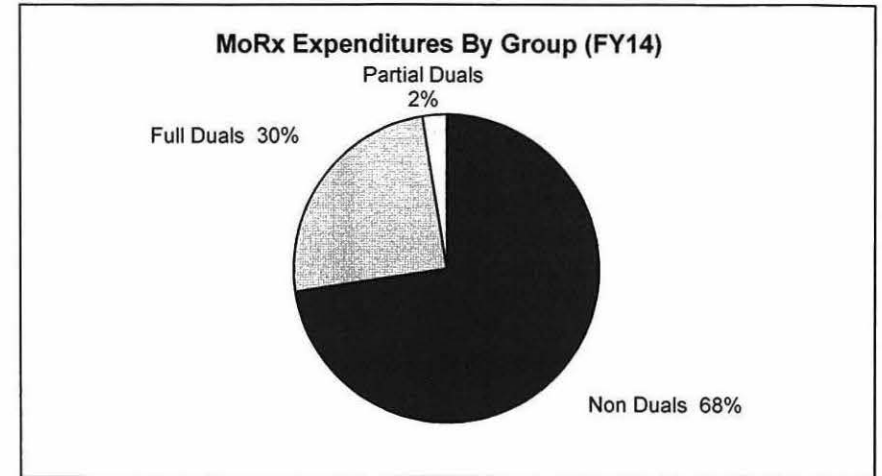
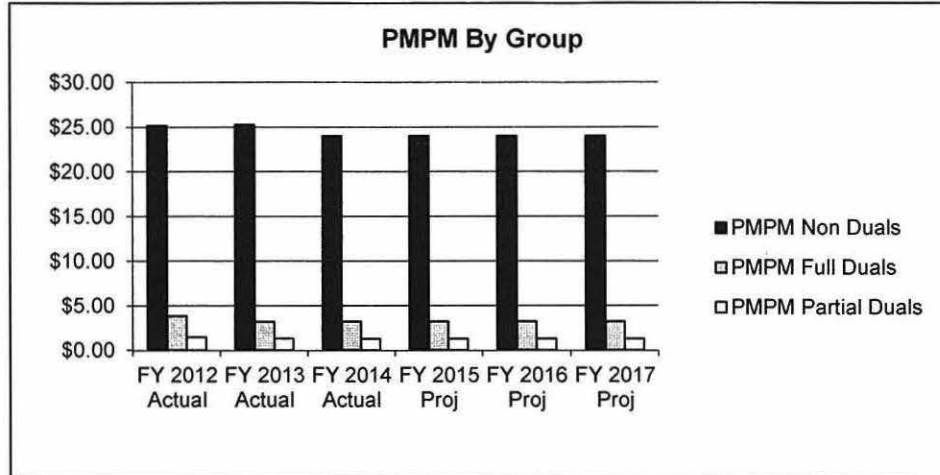
**7a. Provide an effectiveness measure.**



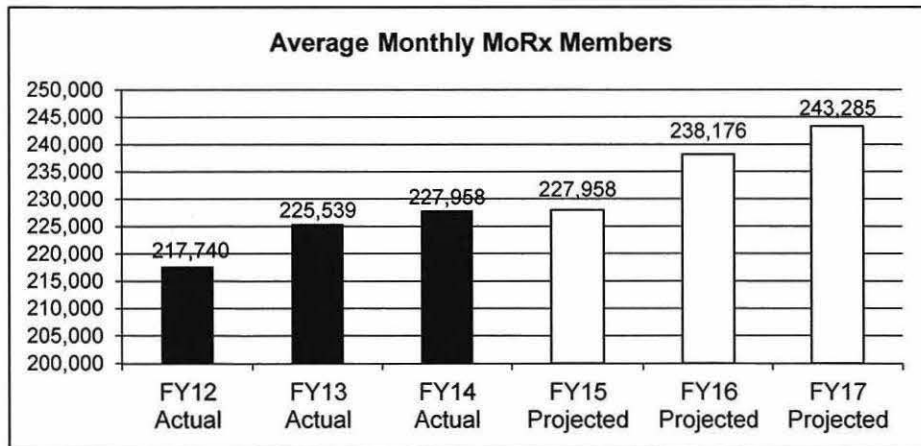
Most MoRx members receive "extra help" with their prescription drug costs through the federal government's Low Income Subsidy Program (LIS). With the MoRx wrap-around benefit their cost was \$3.25 or less for each prescription for calendar year 2013.



**7b. Provide an efficiency measure.**



**7c. Provide the number of clients/individuals served, if applicable.**



**7d. Provide a customer satisfaction measure, if available.**

N/A

**NEW DECISION ITEM  
RANK: 14**

Department: Social Services  
Division: MO HealthNet  
DI Name: MoRx Increase

Budget Unit:90538C

DI#: 1886026

**1. AMOUNT OF REQUEST**

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	836,413			836,413
TRF				
<b>Total</b>	<b>836,413</b>			<b>836,413</b>
<b>FTE</b>				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	836,413			836,413
TRF				
<b>Total</b>	<b>836,413</b>	<b>0</b>	<b>0</b>	<b>836,413</b>
<b>FTE</b>				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Inflation/Utilization	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: This NDI seeks general revenue to fully fund the program.*

Due to increase in utilization, it is anticipated FY16 expenditures from the MO Rx program will exceed the available appropriation This decision item requests general revenue to fund the increase in utilization of the MoRx benefit.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The projected expenditures will exceed the resources available (beginning fund balance, MoRx rebates, General Revenue, and Healthy Families Trust Fund) in FY16. This NDI requests General Revenue to fund the program in FY16. No additional expenditures are projected for the Duals and Partial Duals. This assumes that the FY15 enrollees not enrolled in FY15 due to enrollment freeze will enroll in FY16, in addition to the FY16 enrollment. The detail of the benefits estimate is as follows:

<b>Non Duals</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>
Expenditures	\$14,234,994	\$15,625,485	\$16,295,757	\$18,691,225
Avg Members	51,542	54,249	54,249	59,663
PMPY	\$276.18	\$288.03	\$300.39	\$313.28
Increase		\$11.85		
PMPM Trend		4.3%		
Increase in Member Months		2,707		
<b>Duals</b>				
Expenditures	\$5,417,774	\$5,351,752	\$5,351,752	\$5,351,752
Avg Members	139,504	138,446	138,446	138,446
PMPY	\$38.84	\$38.66	\$38.66	\$38.66
<b>Partial Duals</b>				
Expenditures	\$606,650	\$546,528	\$546,528	\$546,528
Avg Members	34,494	35,264	35,264	35,264
PMPY	\$17.59	\$15.50	\$15.50	\$15.50
<b>Total Expenditures</b>	<b>\$20,259,418</b>	<b>\$21,523,765</b>	<b>\$22,194,037</b>	<b>\$24,589,504</b>

Assume PMPM trend of 4.3% in FY15 and FY16 for Non Duals, based on FY14.

Assume the 2,707 members not enrolled in FY15 will enroll in FY16, plus the FY16 members (5,414 total)

The following provides the projected fund balance, revenue, and expenditures for FY15-FY16:

<b>Appropriation</b>	<b>FY16</b>	
MO RX Fund	\$6,982,425	
General Revenue	\$11,208,703	
Corresponding GR Pick-up NDI	\$5,561,963	
Total Available Approp	\$23,753,091	*The Governor recommended as requested.
<b>Expenditures:</b>		
MO Rx Program Need	\$24,589,504	
Total Need	<b>\$836,413</b>	

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

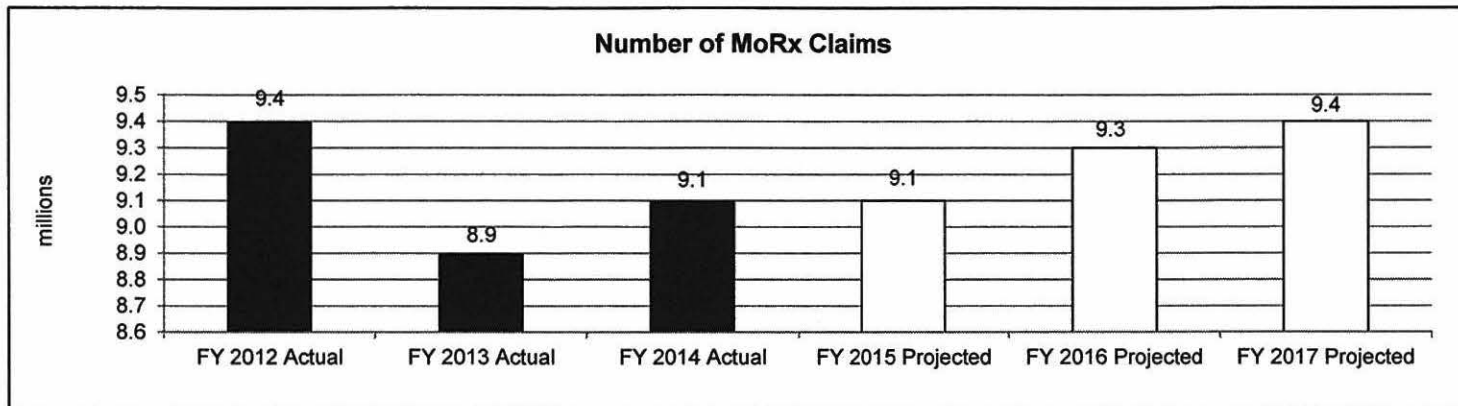
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
<b>Total PS</b>	0	0.0	0	0.0	0	0.0	0	0.0	0
<b>Total EE</b>	0		0		0		0		0
Program Distributions	836,413		0		0		836,413		
<b>Total PSD</b>	<b>836,413</b>		<b>0</b>		<b>0</b>		<b>836,413</b>		<b>0</b>
Transfers									
<b>Total TRF</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>Grand Total</b>	<b>836,413</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>836,413</b>	<b>0.0</b>	<b>0</b>

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
<b>Total PS</b>	0	0.0	0	0.0	0	0.0	0	0.0	0
<b>Total EE</b>	0		0		0		0		0
Program Distributions	836,413						836,413		
<b>Total PSD</b>	<b>836,413</b>		<b>0</b>		<b>0</b>		<b>836,413</b>		<b>0</b>
Transfers									
<b>Total TRF</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>Grand Total</b>	<b>836,413</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>836,413</b>	<b>0.0</b>	<b>0</b>



**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

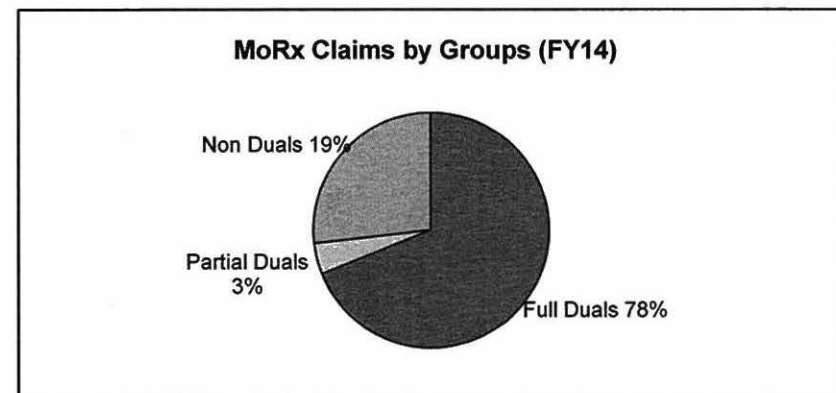
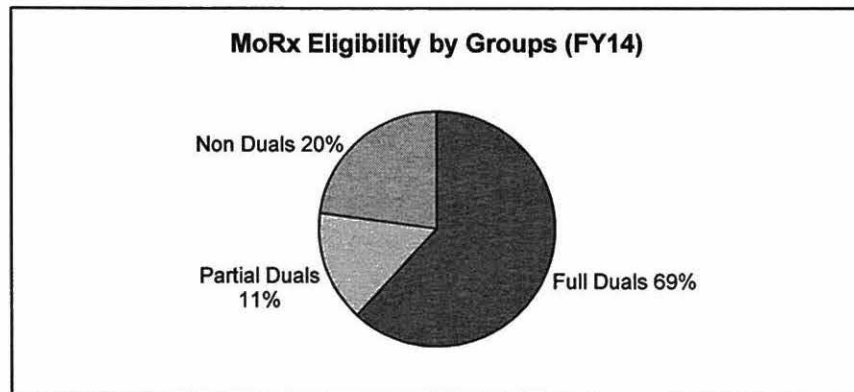
**6a. Provide an effectiveness measure.**



**6b. Provide an efficiency measure.**

N/A

**6c. Provide the number of clients/individuals served, if applicable.**



**6d. Provide a customer satisfaction measure, if available.**

N/A

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MISSOURI RX PLAN</b>								
<b>MO Rx Increase - 1886026</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	836,413	0.00	836,413	0.00
TOTAL - PD	0	0.00	0	0.00	836,413	0.00	836,413	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$836,413</b>	<b>0.00</b>	<b>\$836,413</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$836,413	0.00	\$836,413	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY FRA</b>								
<b>CORE</b>								
<b>PROGRAM-SPECIFIC</b>								
PHARMACY REIMBURSEMENT ALLOWAN	90,871,764	0.00	108,308,926	0.00	108,308,926	0.00	108,308,926	0.00
TOTAL - PD	90,871,764	0.00	108,308,926	0.00	108,308,926	0.00	108,308,926	0.00
<b>TOTAL</b>	<b>90,871,764</b>	<b>0.00</b>	<b>108,308,926</b>	<b>0.00</b>	<b>108,308,926</b>	<b>0.00</b>	<b>108,308,926</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$90,871,764</b>	<b>0.00</b>	<b>\$108,308,926</b>	<b>0.00</b>	<b>\$108,308,926</b>	<b>0.00</b>	<b>\$108,308,926</b>	<b>0.00</b>

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# **CORE DECISION ITEM**

**Department: Social Services**  
**Division: MO HealthNet**  
**Core: Pharmacy Federal Reimbursement Allowance (PFRA) Payments**

**Budget Unit: 90542C**

## **1. CORE FINANCIAL SUMMARY**

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD			108,308,926	108,308,926
TRF				
<b>Total</b>			<b>108,308,926</b>	<b>108,308,926</b>
<b>FTE</b>				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD			108,308,926	108,308,926
TRF				
<b>Total</b>			<b>108,308,926</b>	<b>108,308,926</b>
<b>FTE</b>				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)

## **2. CORE DESCRIPTION**

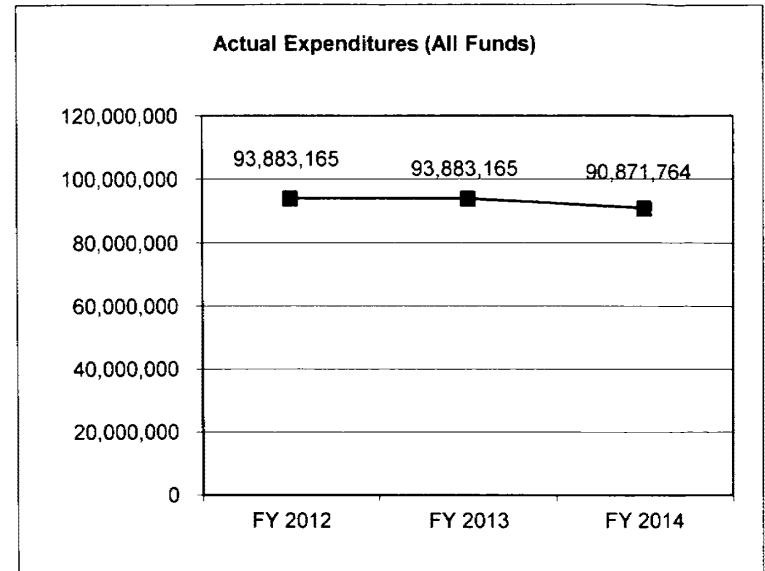
This core request is for ongoing funding for payments for pharmacy services for Title XIX participants. Funds from this core are used to provide enhanced dispensing fee payment rates using the Pharmacy Federal Reimbursement Allowance under the Title XIX of the Social Security Act as a General Revenue equivalent. Pharmacies are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal dollars. These earnings fund this PFRA program appropriation and the Pharmacy appropriation.

## **3. PROGRAM LISTING (list programs included in this core funding)**

Pharmacy Federal Reimbursement Allowance (PFRA) Program

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	94,110,363	108,308,926	108,308,926	108,308,926
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	94,110,363	108,308,926	108,308,926	N/A
Actual Expenditures (All Funds)	93,883,165	93,883,165	90,871,764	N/A
Unexpended (All Funds)	227,198	14,425,761	17,437,162	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	14,425,761	17,437,162	N/A
	(1)	(2)		



#### NOTES:

(1) FY12 "E" increase of \$3,801,437 Pharmacy Reimbursement Allowance Fund.

(2) FY13 Appropriation increased due to estimated appropriation or "E" status being removed.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**PHARMACY FRA**

**5. CORE RECONCILIATION DETAIL**

	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	PD	0.00	0	0	108,308,926	108,308,926	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>108,308,926</b>	<b>108,308,926</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	PD	0.00	0	0	108,308,926	108,308,926	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>108,308,926</b>	<b>108,308,926</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	PD	0.00	0	0	108,308,926	108,308,926	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>108,308,926</b>	<b>108,308,926</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY FRA</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	90,871,764	0.00	108,308,926	0.00	108,308,926	0.00	108,308,926	0.00
TOTAL - PD	90,871,764	0.00	108,308,926	0.00	108,308,926	0.00	108,308,926	0.00
<b>GRAND TOTAL</b>	<b>\$90,871,764</b>	<b>0.00</b>	<b>\$108,308,926</b>	<b>0.00</b>	<b>\$108,308,926</b>	<b>0.00</b>	<b>\$108,308,926</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$90,871,764	0.00	\$108,308,926	0.00	\$108,308,926	0.00	\$108,308,926	0.00



## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Pharmacy Federal Reimbursement Allowance (PFRA) Payments

Program is found in the following core budget(s): Pharmacy Federal Reimbursement Allowance (PFRA)

### 1. What does this program do?

Pharmacies are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal dollars. These earnings fund the PFRA program. This program provides funding to pay enhanced dispensing fees to pharmacies using the Pharmacy Federal Reimbursement Allowance Fund as a General Revenue equivalent.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 338.500; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 433 Subpart B

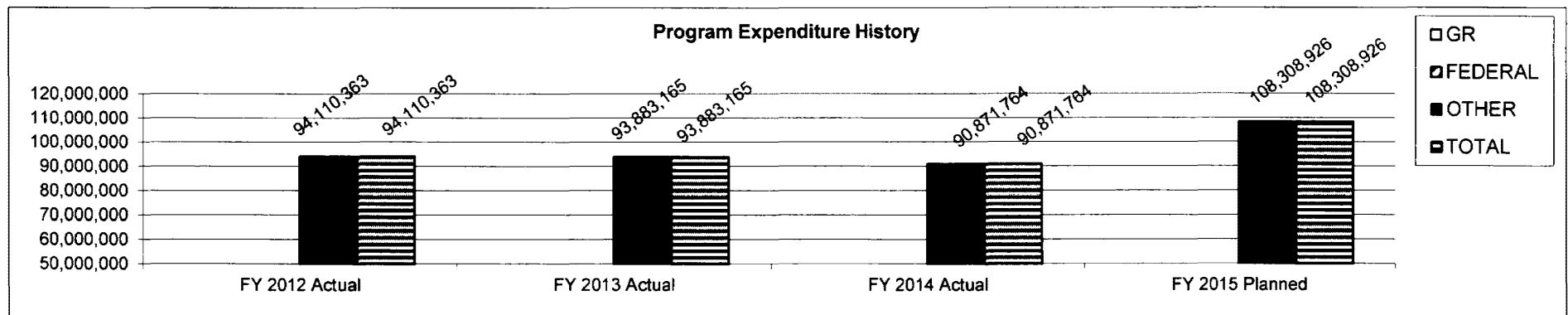
### 3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is a blended 63.095% federal match. The state matching requirement is 36.905%.

### 4. Is this a federally mandated program? If yes, please explain.

No.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



### 6. What are the sources of the "Other " funds?

Pharmacy Federal Reimbursement Allowance (0144)

**7a. Provide an effectiveness measure.**

N/A

**7b. Provide an efficiency measure.**

Pharmacy FRA Tax Assessments Revenues Obtained to Draw Federal Dollars	
SFY	Assessments
2011	\$99.0 mil
2012	\$97.6 mil
2013	\$97.5 mil
2014	\$93.6 mil
2015	\$93.6 mil estimated
2016	\$93.6 mil estimated
2017	\$93.6 mil estimated

**7c. Provide the number of clients/individuals served, if applicable.**

N/A

**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>GR PHARMACY FRA TRANSFER</b>									
<b>CORE</b>									
FUND TRANSFERS									
GENERAL REVENUE	32,993,779	0.00	35,764,609	0.00	35,764,609	0.00	35,764,609	0.00	0.00
TOTAL - TRF	32,993,779	0.00	35,764,609	0.00	35,764,609	0.00	35,764,609	0.00	0.00
<b>TOTAL</b>	<b>32,993,779</b>	<b>0.00</b>	<b>35,764,609</b>	<b>0.00</b>	<b>35,764,609</b>	<b>0.00</b>	<b>35,764,609</b>	<b>0.00</b>	<b>0.00</b>
<b>Transfer Authority Increase - 1886012</b>									
FUND TRANSFERS									
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	2,972,502	0.00	0.00
TOTAL - TRF	0	0.00	0	0.00	0	0.00	2,972,502	0.00	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2,972,502</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$32,993,779</b>	<b>0.00</b>	<b>\$35,764,609</b>	<b>0.00</b>	<b>\$35,764,609</b>	<b>0.00</b>	<b>\$38,737,111</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: GR Pharmacy FRA Transfer

Budget Unit 90535C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	35,764,609			35,764,609
Total	<b>35,764,609</b>	<b>0</b>	<b>0</b>	<b>35,764,609</b>
FTE	0.00	0.00	0.00	0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	35,764,609			35,764,609
Total	<b>35,764,609</b>	<b>0</b>	<b>0</b>	<b>35,764,609</b>
FTE				

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

## 2. CORE DESCRIPTION

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

## 3. PROGRAM LISTING (list programs included in this core funding)

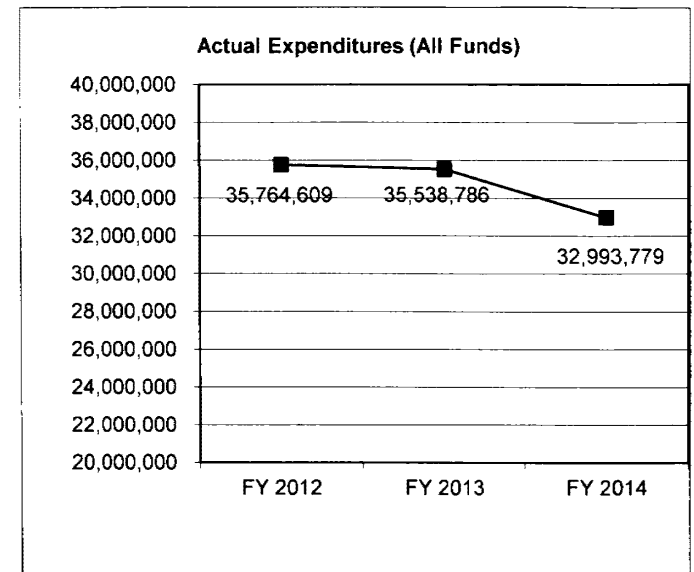
GR Pharmacy FRA -Transfer

# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: GR Pharmacy FRA Transfer

## 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	35,800,000	35,764,609	37,592,463	35,764,609
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	35,800,000	35,764,609	37,592,463	N/A
Actual Expenditures (All Funds)	35,764,609	35,538,786	32,993,779	N/A
Unexpended (All Funds)	35,391	225,823	4,598,684	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	35,391	225,823	4,598,684	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

### NOTES:

(1) FY12 There was an "E" increase of \$5,800,000.

(2) FY13 Supplemental increase of \$764,609.

(3) FY14 Supplemental increase of \$1,827,854

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****GR PHARMACY FRA TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<hr/>							
<b>TAFP AFTER VETOES</b>	TRF	0.00	35,764,609	0	0	35,764,609	
	<b>Total</b>	<b>0.00</b>	<b>35,764,609</b>	<b>0</b>	<b>0</b>	<b>35,764,609</b>	
<hr/>							
<b>DEPARTMENT CORE REQUEST</b>	TRF	0.00	35,764,609	0	0	35,764,609	
	<b>Total</b>	<b>0.00</b>	<b>35,764,609</b>	<b>0</b>	<b>0</b>	<b>35,764,609</b>	
<hr/>							
<b>GOVERNOR'S RECOMMENDED CORE</b>	TRF	0.00	35,764,609	0	0	35,764,609	
	<b>Total</b>	<b>0.00</b>	<b>35,764,609</b>	<b>0</b>	<b>0</b>	<b>35,764,609</b>	
<hr/>							

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
GR PHARMACY FRA TRANSFER								
CORE								
TRANSFERS OUT	32,993,779	0.00	35,764,609	0.00	35,764,609	0.00	35,764,609	0.00
TOTAL - TRF	32,993,779	0.00	35,764,609	0.00	35,764,609	0.00	35,764,609	0.00
GRAND TOTAL	\$32,993,779	0.00	\$35,764,609	0.00	\$35,764,609	0.00	\$35,764,609	0.00
GENERAL REVENUE	\$32,993,779	0.00	\$35,764,609	0.00	\$35,764,609	0.00	\$35,764,609	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



## PROGRAM DESCRIPTION

Department: Social Services

Program Name: GR Pharmacy FRA Transfer

Program is found in the following core budget(s): GR Pharmacy FRA Transfer

### 1. What does this program do?

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

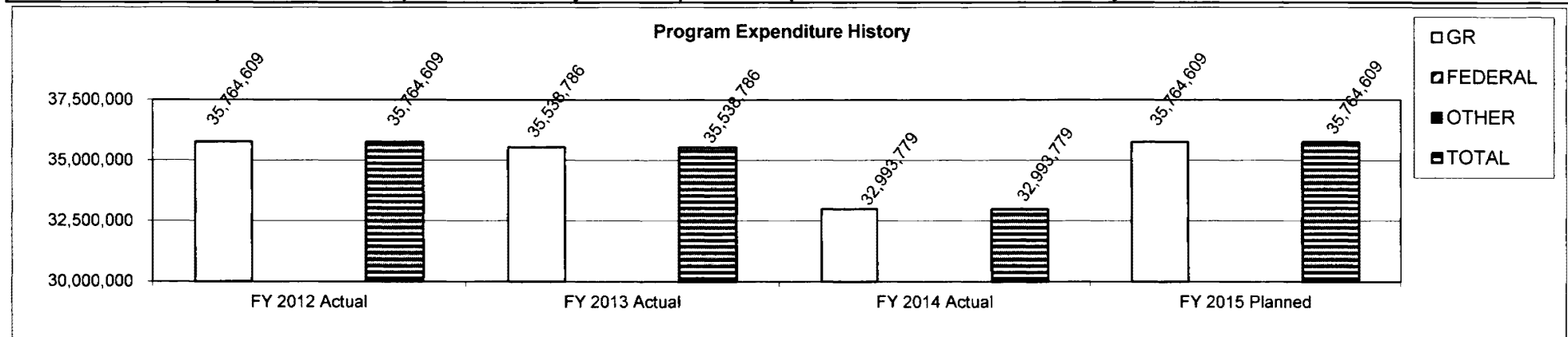
### 3. Are there federal matching requirements? If yes, please explain.

No.

### 4. Is this a federally mandated program? If yes, please explain.

No.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



### 6. What are the sources of the "Other " funds?

N/A

### 7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

### 7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

### 7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

### 7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.



## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>PHARMACY FRA TRANSFER</b>									
<b>CORE</b>									
<b>FUND TRANSFERS</b>									
PHARMACY REIMBURSEMENT ALLOWAN	32,993,779	0.00	35,764,609	0.00	35,764,609	0.00	35,764,609	0.00	
TOTAL - TRF	32,993,779	0.00	35,764,609	0.00	35,764,609	0.00	35,764,609	0.00	
<b>TOTAL</b>	<b>32,993,779</b>	<b>0.00</b>	<b>35,764,609</b>	<b>0.00</b>	<b>35,764,609</b>	<b>0.00</b>	<b>35,764,609</b>	<b>0.00</b>	
<b>Transfer Authority Increase - 1886012</b>									
<b>FUND TRANSFERS</b>									
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	0	0.00	2,972,502	0.00	
TOTAL - TRF	0	0.00	0	0.00	0	0.00	2,972,502	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2,972,502</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$32,993,779</b>	<b>0.00</b>	<b>\$35,764,609</b>	<b>0.00</b>	<b>\$35,764,609</b>	<b>0.00</b>	<b>\$38,737,111</b>	<b>0.00</b>	

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# **CORE DECISION ITEM**

**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** Pharmacy FRA Transfer

**Budget Unit** 90537C

## **1. CORE FINANCIAL SUMMARY**

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			35,764,609	35,764,609
<b>Total</b>	<b>0</b>	<b>0</b>	<b>35,764,609</b>	<b>35,764,609</b>

**FTE** 0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: Pharmacy Reimbursement Allowance (0144)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			35,764,609	35,764,609
<b>Total</b>	<b>0</b>	<b>0</b>	<b>35,764,609</b>	<b>35,764,609</b>

**FTE**

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

## **2. CORE DESCRIPTION**

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

## **3. PROGRAM LISTING (list programs included in this core funding)**

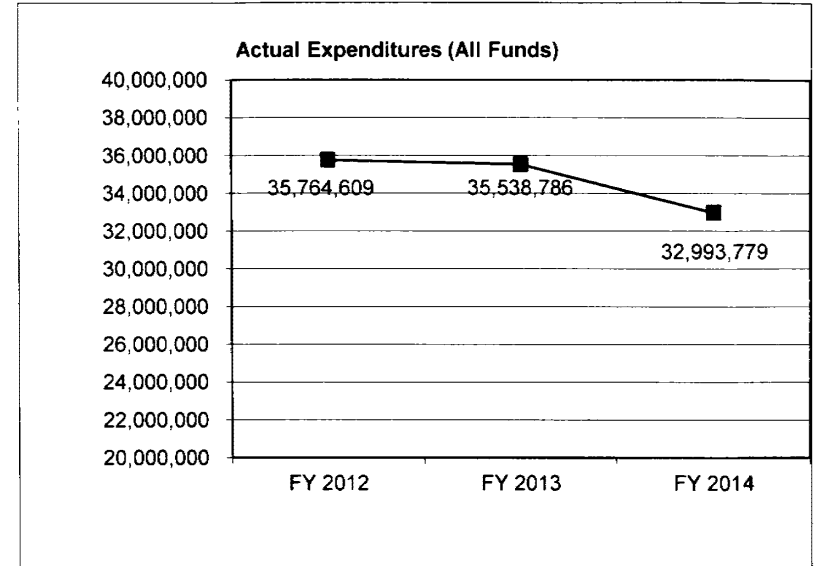
Pharmacy FRA -Transfer

# CORE DECISION ITEM

**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** Pharmacy FRA Transfer

## 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2014 Current Yr.
Appropriation (All Funds)	35,800,000	35,764,609	37,592,463	35,764,609
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	35,800,000	35,764,609	37,592,463	N/A
Actual Expenditures (All Funds)	35,764,609	35,538,786	32,993,779	N/A
Unexpended (All Funds)	35,391	225,823	4,598,684	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	35,391	225,823	4,598,684	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

### NOTES:

(1) FY12 There was an "E" increase of \$5,800,000.

(2) FY13 Supplemetal increase of \$764,609.

(3) FY14 Supplemetnal increase of \$1,827,854

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES**

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**PHARMACY FRA TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	TRF	0.00	0	0	35,764,609	35,764,609	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>35,764,609</b>	<b>35,764,609</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	TRF	0.00	0	0	35,764,609	35,764,609	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>35,764,609</b>	<b>35,764,609</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	TRF	0.00	0	0	35,764,609	35,764,609	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>35,764,609</b>	<b>35,764,609</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHARMACY FRA TRANSFER								
CORE								
TRANSFERS OUT	32,993,779	0.00	35,764,609	0.00	35,764,609	0.00	35,764,609	0.00
TOTAL - TRF	32,993,779	0.00	35,764,609	0.00	35,764,609	0.00	35,764,609	0.00
GRAND TOTAL	\$32,993,779	0.00	\$35,764,609	0.00	\$35,764,609	0.00	\$35,764,609	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$32,993,779	0.00	\$35,764,609	0.00	\$35,764,609	0.00	\$35,764,609	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Pharmacy FRA Transfer

Program is found in the following core budget(s): Pharmacy FRA Transfer

**1. What does this program do?**

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

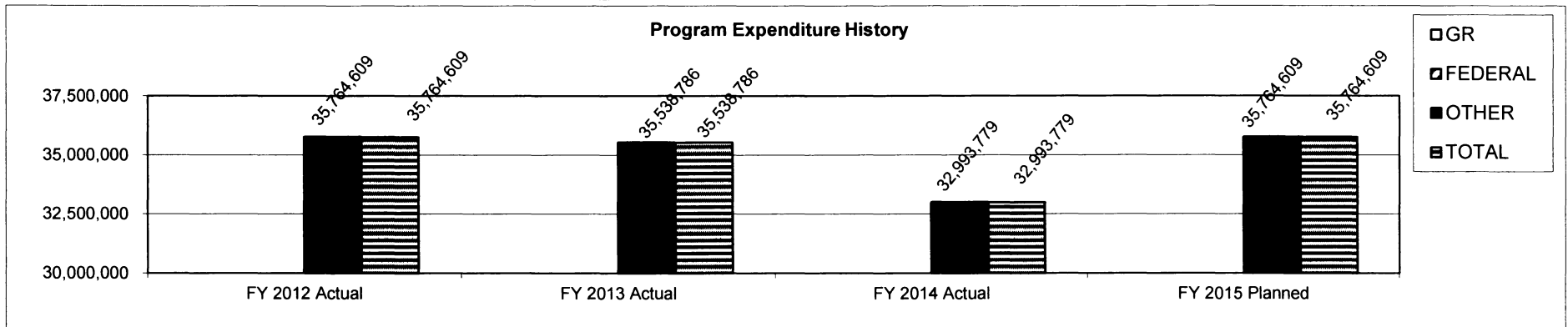
**3. Are there federal matching requirements? If yes, please explain.**

No.

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

Pharmacy Reimbursement Allowance (0144)

**7a. Provide an effectiveness measure.**

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

**7b. Provide an efficiency measure.**

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

**7c. Provide the number of clients/individuals served, if applicable.**

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

**7d. Provide a customer satisfaction measure, if available.**

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.





# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>PHYSICIAN RELATED PROF</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	1,693,402	0.00	2,700,000	0.00	1,705,342	0.00	1,705,342	0.00	
TITLE XIX-FEDERAL AND OTHER	1,763,708	0.00	2,800,000	0.00	1,915,395	0.00	1,915,395	0.00	
HEALTH INITIATIVES	151,250	0.00	0	0.00	0	0.00	0	0.00	
TOTAL - EE	3,608,360	0.00	5,500,000	0.00	3,620,737	0.00	3,620,737	0.00	
PROGRAM-SPECIFIC									
GENERAL REVENUE	216,448,831	0.00	199,913,324	0.00	196,337,381	0.00	167,112,445	0.00	
TITLE XIX-FEDERAL AND OTHER	399,262,429	0.00	458,928,537	0.00	388,091,584	0.00	379,189,650	0.00	
PHARMACY REIMBURSEMENT ALLOWAN	10,000	0.00	10,000	0.00	10,000	0.00	10,000	0.00	
HEALTH INITIATIVES	1,185,059	0.00	1,427,081	0.00	1,427,081	0.00	1,427,081	0.00	
HEALTHY FAMILIES TRUST	3,723,729	0.00	6,041,034	0.00	10,879,691	0.00	25,879,691	0.00	
TOTAL - PD	620,630,048	0.00	666,319,976	0.00	596,745,737	0.00	573,618,867	0.00	
<b>TOTAL</b>	<b>624,238,408</b>	<b>0.00</b>	<b>671,819,976</b>	<b>0.00</b>	<b>600,366,474</b>	<b>0.00</b>	<b>577,239,604</b>	<b>0.00</b>	
<b>Medicaid CTC - 1886018</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	16,388,083	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	16,388,083	0.00	0	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>16,388,083</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	
<b>FMAP ADJUSTMENT - 1886032</b>									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	690,073	0.00	
TOTAL - PD	0	0.00	0	0.00	0	0.00	690,073	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>690,073</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$624,238,408</b>	<b>0.00</b>	<b>\$671,819,976</b>	<b>0.00</b>	<b>\$616,754,557</b>	<b>0.00</b>	<b>\$577,929,677</b>	<b>0.00</b>	

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lm\_dlsupply

# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Physician Related

Budget Unit: 90544C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE	1,705,342	1,915,395		3,620,737
PSD	196,337,381	388,091,584	12,316,772	596,745,737
TRF				
Total	<b>198,042,723</b>	<b>390,006,979</b>	<b>12,316,772</b>	<b>600,366,474</b>

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Health Initiatives Fund (HIF) (0275)  
Healthy Families Trust Fund (0625)  
Pharmacy Reimbursement Allowance Fund (0144)

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	1,705,342	1,915,395		3,620,737
PSD	167,112,445	379,189,650	27,316,772	573,618,867
TRF				
Total	<b>168,817,787</b>	<b>381,105,045</b>	<b>27,316,772</b>	<b>577,239,604</b>

FTE

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Health Initiatives Fund (HIF) (0275)  
Healthy Families Trust Fund (0625)  
Pharmacy Reimbursement Allowance Fund (0144)

## 2. CORE DESCRIPTION

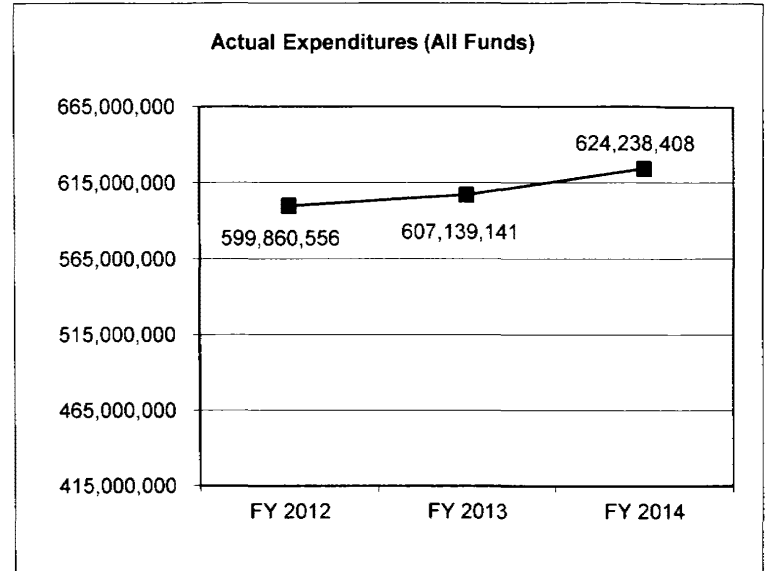
This core request is for the ongoing funding for professional services provided to MO HealthNet participants by physicians, nurse practitioners, clinics, lab and x-ray facilities, nurse midwives, podiatrists, certified registered nurse anesthetists, anesthesiologist assistants, independent diagnostic testing facilities, rural health clinics, federally qualified health centers, psychologists, professional counselors, and licensed clinical social workers.

## 3. PROGRAM LISTING (list programs included in this core funding)

Physician Related

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr
Appropriation (All Funds)	605,830,842	618,122,109	677,098,023	671,819,976
Less Reverted (All Funds)	(2,431,013)	(42,812)	(42,812)	N/A
Budget Authority (All Funds)	603,399,829	618,079,297	677,055,211	N/A
Actual Expenditures (All Funds)	599,860,556	607,139,141	624,238,408	N/A
Unexpended (All Funds)	3,539,273	10,940,156	52,816,803	N/A
Unexpended, by Fund:				
General Revenue	243	0	2,283	N/A
Federal	3,539,030	10,940,156	50,449,255	N/A
Other	0	0	2,365,265	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY12 Expenditures of \$7,209,766 were paid from the Supplemental Pool. Agency reserve of federal funds \$3,537,891.

(2) FY13 Expenditures of \$5,997,867 were paid from Managed Care and \$13,000 were paid from the Supplemental Pool.

(3) FY14 Agency reserves of \$47,960 Health Initiatives Fund and \$2,317,305 Health Family Trust Fund due to lower than anticipated revenue and an agency reserve of \$40,088,793 Federal Funds due to the matching rate. In addition, there was a \$6,041,034 supplemental budget increase of GR to offset the decrease in Healthy Family Trust Fund.

#### 4. FINANCIAL HISTORY

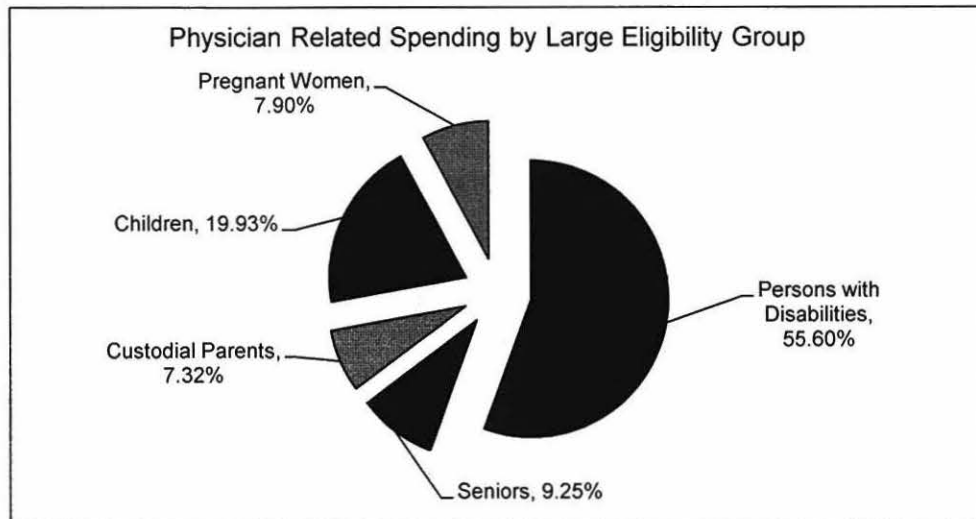
Cost Per Eligible - Per Member Per Month (PMPM)					
	Physician PMPM	Acute Care PMPM	Total PMPM	Physician Percentage of Acute	Physician Percentage of Total
PTD	\$155.55	\$1,031.29	\$1,860.84	15.08%	8.36%
Seniors	\$54.61	\$363.32	\$1,541.27	15.03%	3.54%
Custodial Parents	\$44.34	\$468.91	\$495.28	9.46%	8.95%
Children*	\$17.60	\$276.10	\$307.93	6.37%	5.72%
Pregnant Women	\$149.30	\$596.36	\$609.11	25.04%	24.51%

Source: Table 23 Medical Statistics for Fiscal Year 2014, Paid Claims Data. Includes EPSDT services.  
\* CHIP eligibles not included

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet (MHD) management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.



Source: Table 23 Medical Statistics for Fiscal Year 2014, Paid Claims Data.

The PMPM table reflects the PMPM amounts for physician related services, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient; physician/lab/x-ray; outpatient/clinic; pharmacy; managed care payments; Medicare co-pay/deductibles; dental; and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the physician PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for physician related services. It provides a snapshot of what eligibility groups are receiving physician related services, as well as the populations impacted by program changes.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**PHYSICIAN RELATED PROF**

**5. CORE RECONCILIATION DETAIL**

			<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>									
			EE	0.00	2,700,000	2,800,000	0	5,500,000	
			PD	0.00	199,913,324	458,928,537	7,478,115	666,319,976	
			<b>Total</b>	<b>0.00</b>	<b>202,613,324</b>	<b>461,728,537</b>	<b>7,478,115</b>	<b>671,819,976</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>									
Core Reduction	1591 8197	PD		0.00	0	(72,179,842)	0	(72,179,842)	Core reduction of primary care rate increase which ends December 2014.
Core Reallocation	141 8197	EE		0.00	0	(884,605)	0	(884,605)	Core reallocation will more closely align budget with planned spending.
Core Reallocation	141 8196	EE		0.00	(994,658)	0	0	(994,658)	Core reallocation will more closely align budget with planned spending.
Core Reallocation	141 8196	PD		0.00	994,658	0	0	994,658	Core reallocation will more closely align budget with planned spending.
Core Reallocation	141 8197	PD		0.00	0	884,605	0	884,605	Core reallocation will more closely align budget with planned spending.
Core Reallocation	142 8196	PD		0.00	(4,838,657)	0	0	(4,838,657)	Core reallocation of Healthy Family Trust Fund from Mo RX for General Revenue.
Core Reallocation	142 3707	PD		0.00	0	0	4,838,657	4,838,657	Core reallocation of Healthy Family Trust Fund from Mo RX for General Revenue.
Core Reallocation	1689 8197	PD		0.00	0	458,284	0	458,284	Core reallocation from Hospital for Health Homes.
Core Reallocation	1689 8196	PD		0.00	268,056	0	0	268,056	Core reallocation from Hospital for Health Homes.
<b>NET DEPARTMENT CHANGES</b>				<b>0.00</b>	<b>(4,570,601)</b>	<b>(71,721,558)</b>	<b>4,838,657</b>	<b>(71,453,502)</b>	

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**PHYSICIAN RELATED PROF**

**5. CORE RECONCILIATION DETAIL**

		<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>DEPARTMENT CORE REQUEST</b>								
		EE	0.00	1,705,342	1,915,395	0	3,620,737	
		PD	0.00	196,337,381	388,091,584	12,316,772	596,745,737	
		<b>Total</b>	<b>0.00</b>	<b>198,042,723</b>	<b>390,006,979</b>	<b>12,316,772</b>	<b>600,366,474</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reduction	2027 8196	PD	0.00	(690,073)	0	0	(690,073)	FMAP
Core Reallocation	1787 8197	PD	0.00	0	(33,988,405)	0	(33,988,405)	Reallocate from Physicians to Managed Care and CHIP from FQHC/RHC interim payments included in Capitation rates
Core Reallocation	1787 8196	PD	0.00	(18,511,595)	0	0	(18,511,595)	Reallocate from Physicians to Managed Care and CHIP from FQHC/RHC interim payments included in Capitation rates
Core Reallocation	1990 8196	PD	0.00	1,195,421	0	0	1,195,421	
Core Reallocation	1990 8197	PD	0.00	0	3,461,459	0	3,461,459	
Core Reallocation	1994 8197	PD	0.00	0	16,088,046	0	16,088,046	
Core Reallocation	1994 8196	PD	0.00	9,318,277	0	0	9,318,277	
Core Reallocation	2027 8197	PD	0.00	0	5,536,966	0	5,536,966	FMAP
Core Reallocation	2027 8196	PD	0.00	(5,536,966)	0	0	(5,536,966)	FMAP
Core Reallocation	2130 8196	PD	0.00	(15,000,000)	0	0	(15,000,000)	
Core Reallocation	2130 3707	PD	0.00	0	0	15,000,000	15,000,000	
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>(29,224,936)</b>	<b>(8,901,934)</b>	<b>15,000,000</b>	<b>(23,126,870)</b>	

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****PHYSICIAN RELATED PROF**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	EE	0.00	1,705,342	1,915,395	0	3,620,737	
	PD	0.00	167,112,445	379,189,650	27,316,772	573,618,867	
	<b>Total</b>	<b>0.00</b>	<b>168,817,787</b>	<b>381,105,045</b>	<b>27,316,772</b>	<b>577,239,604</b>	



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHYSICIAN RELATED PROF</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	2,172,482	0.00	3,900,002	0.00	2,020,739	0.00	2,020,739	0.00
MISCELLANEOUS EXPENSES	1,435,878	0.00	1,599,998	0.00	1,599,998	0.00	1,599,998	0.00
TOTAL - EE	3,608,360	0.00	5,500,000	0.00	3,620,737	0.00	3,620,737	0.00
PROGRAM DISTRIBUTIONS	620,630,048	0.00	666,319,976	0.00	596,745,737	0.00	573,618,867	0.00
TOTAL - PD	620,630,048	0.00	666,319,976	0.00	596,745,737	0.00	573,618,867	0.00
GRAND TOTAL	\$624,238,408	0.00	\$671,819,976	0.00	\$600,366,474	0.00	\$577,239,604	0.00
GENERAL REVENUE	\$218,142,233	0.00	\$202,613,324	0.00	\$198,042,723	0.00	\$168,817,787	0.00
FEDERAL FUNDS	\$401,026,137	0.00	\$461,728,537	0.00	\$390,006,979	0.00	\$381,105,045	0.00
OTHER FUNDS	\$5,070,038	0.00	\$7,478,115	0.00	\$12,316,772	0.00	\$27,316,772	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Physician Related**

**Program is found in the following core budget(s): Physician Related**

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### 1. What does this program do?

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This program provides payment for professional services provided to MO HealthNet participants by physicians, clinics, lab & x-ray facilities, nurse midwives, podiatrists, certified registered nurse anesthetists, anesthesiologist assistants, independent diagnostic testing facilities, rural health clinics, nurse practitioners, federally qualified health centers, psychologists, professional counselors, and licensed clinical social workers.

A general description of each of the MO HealthNet provider groups in the Physician Related Program is as follows:

Physician - Proper health care is essential to the general health and well-being of MO HealthNet participants. Physicians, including medical doctors and doctors of osteopathy, are typically the front line providers where MO HealthNet participants enter the state's health care system. They provide a myriad of health care services and tie the various parts of the health care system together.

Physician services are diagnostic, therapeutic, rehabilitative or palliative procedures provided by, and under the supervision of, a licensed physician who is practicing within the scope of practice allowed and is enrolled in the MO HealthNet program.

Physicians enrolled in the MO HealthNet program are identified by the specialty of medicine they practice. Specialties include: allergy immunology; anesthesiology; dermatology; emergency medicine; family practice; general practice; general surgery; internal medicine; laryngology; nuclear medicine; neurological surgery; obstetrics/gynecology; ophthalmology; otology; otolaryngology; orthopedic surgery; pathology; pediatrics; physical medicine and rehabilitation; plastic surgery; preventive medicine; proctology; psychiatry; neurology; radiation therapy; radiology; rectal and colon surgery; rehabilitative medicine; rhinology; thoracic surgery; urology; and cardiology.

The services of a physician may be administered in a myriad of settings including the physician's office, the participant's home (or other place of residence such as a nursing facility), the hospital (inpatient/outpatient) or settings such as a medical clinic or ambulatory surgical care facility.

Services rendered by a physician, including appropriate supplies, are billable by the physician only where there is direct personal supervision by the physician. This applies to services rendered by auxiliary personnel employed by the physician and working under his/her on-site supervision such as nurses, non-physician anesthetists, physician assistants, technicians, therapists and other aides. Beginning in FY15, Assistant Physicians and Physician Assistants may practice in Missouri once licensed by the Board of Healing Arts.

The majority of services provided by a physician are reimbursed on a fee schedule basis although a few services are reimbursed on a manual basis, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case. Certain procedures, such as organ transplants, are available only on a prior approval basis.

Periodic Screening Diagnosis Treatment /Healthy Children and Youth (EPSDT/HCY) program provides services to MO HealthNet participants who are infants, children, and youth under the age of 21 years with a primary and preventive care focus. Full, partial and interperiodic health screenings, medical and dental examinations, immunizations and medically necessary treatment services are covered. The goal of the MO HealthNet program is for each child to be healthy. This is achieved by the primary care provider who manages a coordinated, comprehensive, continuous health care program to address the child's primary health care needs. The program provides early and periodic medical or dental screening, diagnosis, and treatment to correct or improve defects and chronic conditions found during the screening.

Section 1202 of the Affordable Care Act (ACA) requires payments for primary care services furnished by a physician with a primary specialty of family medicine, general internal medicine, or pediatric medicine be paid at parity with Medicare beginning January 1, 2013. Section 1202 defines covered services as those Evaluation and Management (E&M) codes and immunization services that are covered by Medicare. In addition, the section provides 100% federal funding for the incremental cost of meeting this requirement. The incremental cost is calculated based on the Medicaid rate as of July 1, 2009. The requirement sunsets effective January 1, 2015.

Clinic - Clinics offer preventive, diagnostic, therapeutic, rehabilitative or palliative services that are furnished by a facility that is not part of a hospital but is organized and operated to provide medical care to outpatients. Services furnished to outpatients include those furnished at the clinic by, or under the direction of, a physician and those services furnished outside the clinic by clinic personnel under the direction of a physician.

MO HealthNet reimbursement is made solely to the clinic. All health care professionals are employed by the clinic. Each provider of health care services through the clinic, in addition to being employed by the participating clinic, must be a MO HealthNet provider. Health care providers at a clinic can include physicians, nurse practitioners, radiologists and other health professionals whose services are offered at the clinic.

Lab & X-Ray - Laboratory and x-ray facilities provide examination and radiology services under the Physician program. Laboratories perform examinations of body fluids, tissues or organs by the use of various methods employing specialized equipment such as electron microscopes and radio-immunoassay. A clinical laboratory is a laboratory where microbiological, serological, chemical, hematological, radio bioassay, cytological, immunohematological or pathological examinations are performed on material derived from the human body to provide information for the diagnosis, prevention or treatment of a disease or assessment of a medical condition. Operations of a laboratory are generally directed by a pathologist.

X-ray facilities offer radiological services in which x-rays or rays from radioactive substances are used for diagnostic or therapeutic purposes. Such services include, but are not limited to, radium therapy; the use of radioisotopes for diagnostic or therapeutic purposes for example, in nuclear medicine; diagnostic tests such as aortograms, pyelograms, myelograms, arteriograms and ventriculograms; imaging services; x-rays; and diagnostic ultra-sounds. These operations are generally directed by a radiologist.

Both laboratories and x-ray clinics are reimbursed on a fee schedule basis. Certain x-ray services are subject to prior approval.

Nurse Midwife - Nurse Midwife services are those services related to the management and provision of care to a pregnant woman and her unborn/newborn infant by a certified nurse midwife. These services may be provided throughout the maternity cycle which includes pregnancy, labor and delivery and the initial postpartum period not to exceed six weeks. Covered services include antepartum care, delivery, post-partum care, newborn care, office visits, laboratory services and other services within the scope of practice of a nurse midwife. If there is any indication the maternity care is not for a normal uncomplicated delivery, the nurse midwife must refer the case to a physician.

Nurse midwives may also provide care outside of the maternity cycle such as family planning, counseling, birth control techniques and well-woman gynecological care including routine pap smears and breast examinations (Section 13605, OBRA 93). Nurse midwife services may also include services to the newborn, age 0 through 2 months and any other MO HealthNet eligible female, age 15 and over.

Services furnished by a nurse midwife must be within the scope of practice authorized by federal and state laws or regulations and, in the case of inpatient or outpatient hospital services or clinic services, furnished by or under the direction of a nurse midwife only to the extent permitted by the facility.

In order to qualify for participation in the MO HealthNet Nurse Midwife program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (RN) in the state of Missouri and be currently certified as a nurse midwife by the American College of Nurse Midwives.

The services of a nurse midwife may be administered in a variety of settings including the provider's office, a hospital (inpatient or outpatient), the home of the participant (delivery and newborn care only) or a birthing center. Reimbursement for nurse midwife services is made on a fee-for-service basis and must be reasonable and consistent with efficiency, economy and quality of care as determined by MO HealthNet. MO HealthNet payment is the lower of the provider's actual billed charge, based on his/her usual and customary charge to the general public for the service, or the MO HealthNet maximum allowable amount per unit of service. The level of reimbursement to the nurse midwife is the same as that reimbursed to a physician for the same procedure.

Podiatry - Podiatrists provide medical, surgical and mechanical services for the foot or any area not above the ankle joint and receive MO HealthNet reimbursement for diagnostic, therapeutic, rehabilitative and palliative services which are within the scope of practice the podiatrist is authorized to perform. Most services provided by a podiatrist are reimbursed on a fee schedule basis although a few services are reimbursed on a manual basis, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case.

The following podiatry services are not covered for adults (except individuals under a category of assistance for pregnant women or the blind or nursing facility residents): trimming of nondystrophic nails; debridement of one to five nails by any method; debridement of six or more nails by any method; partial or complete excision of the nail and nail matrix; and strapping of the ankle and/or foot.

The services of a podiatrist may be administered in the podiatrist's office, the participant's home (or other place of residence such as a nursing facility), a hospital (inpatient/outpatient), a medical clinic or ambulatory surgical care facility.

Certified Registered Nurse Anesthetist (CRNA) - CRNA services are those services related to the introduction and management of a substance into the body by external or internal means that causes loss of sensation with or without loss of consciousness. In order to qualify for participation in the MO HealthNet Certified Registered Nurse Anesthetist program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (RN) or nurse practitioner in the state of Missouri and be currently certified as a CRNA by the Council on Certification of Nurse Anesthetists.

Reimbursement for CRNA services are made on a fee-for-service basis. The services of a CRNA may be administered in the provider's office, a hospital, nursing home or clinic and include the same scope of practice as that of an anesthesiologist. CRNAs are often employed by physicians (anesthesiologists), but are not required to be employed by a physician.

Anesthesiologist Assistants (AA) - An AA is a person who works under the supervision of a licensed anesthesiologist and provides anesthesia services and related care. An AA shall practice only under the direct supervision of an anesthesiologist who is physically present or immediately available. A supervising anesthesiologist shall be allowed to supervise up to four AAs concurrently, consistent with 42 CFR 415.110. The name and mailing address of the supervising anesthesiologist must be submitted by an AA. An AA must be licensed by the Missouri Board of Healing Arts as set forth in 20 CSR 2150-9 and submit a copy to the MO HealthNet Division. An AA must practice within their scope of practice referenced in Section 334.402, RSMo. Reimbursement for AA services is made on a fee-for-service basis. An AA and a Certified Registered Nurse Anesthetist (CRNA) are not allowed to bill for the same anesthesia service.

Independent Diagnostic Testing Facility (IDTF) - These providers are independent of a hospital or a physician's office and offer medically necessary diagnostic tests. The IDTF may be a fixed location or a mobile entity. An IDTF must have one or more supervising physicians who are responsible for the direct and ongoing oversight of the quality of the testing performed, the proper operation and calibration of the equipment used to perform tests, and the qualification of non-physician personnel who use the equipment.



**Rural Health Clinic (RHC)** - The Rural Health Clinic Services Act of 1977 designated Rural Health Clinics as health care providers. The Act became effective for MO HealthNet reimbursement on July 1, 1978. The Rural Health Clinic Services Act of 1977 extended benefits to cover health care services to under-served rural areas where access to traditional physician care had been difficult. In those areas, specifically trained practitioners furnish the health care services needed by the community.

Rural Health Clinics must be located in a rural area that is designated a shortage area for primary care. To be eligible for this designation, a clinic must be located in an area not identified as "urbanized" by the Bureau of the Census and designated as a shortage or under-served area by one of the following definitions:

- An area with a shortage of personal health services under Section 30(b)(3) or 330(b)(3) of the Public Health Service Act (PHS);
- A Health Professional Shortage Area (HPSA) designated under Section 332(a)(1)(A) of the PHS Act;
- An area which includes a population group designated as having a health professional shortage under Section 332(a)(1)(B) of the PHS Act; or
- An area designated by the chief executive officer (Governor) of the State and certified by the Secretary of Health and Human Services as an area with a shortage of personal health services.

In addition to the above criteria, RHCs must meet the additional staffing and health and safety requirements set forth by the Rural Health Clinic Services Act. To be a MO HealthNet RHC, a clinic must be certified by the Public Health Service, be certified for participation in Medicare, and be enrolled as a MO HealthNet provider. The RHC is then designated as either an independent or a provider-based RHC.

In order to be designated a provider-based RHC, the RHC must be an integral and subordinate part of a hospital, skilled nursing facility or home health agency. The provider-based RHC must also be under common licensure, governance and professional supervision with its parent provider. Hospital-based RHCs are reimbursed the lower of 100% of their usual and customary charges or their cost-to-charge ratio. The RHCs that are based in skilled nursing facilities and home health agencies are reimbursed their usual and customary charges multiplied by the lower of the Medicare RHC rate or the rate approved by the MO HealthNet Division.

An independent RHC has no financial, organizational or administrative connection to a hospital, skilled nursing facility or home health agency. They are reimbursed a fee that is calculated either by dividing the lesser of their reasonable costs by their total number of encounters, or by multiplying the Medicare upper-payment limit by the number of MO HealthNet encounters. An annual audit of the Medicare cost report is reviewed by the Institutional Reimbursement Unit (IRU) within the MO HealthNet Division.

**Nurse Practitioner** - A nurse practitioner, or advanced practice nurse, is one who has had education beyond the basic nursing education and is certified by a nationally recognized professional organization as having a nursing specialty, or who meets criteria for advanced practice nurses established by the Missouri Board of Nursing. The Board of Nursing may promulgate rules specifying which professional nursing organization certifications are to be recognized as advanced practice nurses and may set standards for education, training and experience required for those without such specialty certification to become advanced practice nurses.

Numerous nurse practitioner specialties are recognized such as family, gerontology, clinical, obstetrics/GYN, neonatal, mental health, and certified registered nurse anesthetists. Reimbursement for nurse practitioner services are made on a fee-for-service basis. The level of reimbursement to the nurse practitioner is the same as that reimbursed to a physician for the same procedure. Nurse practitioners, or advanced practical nurses may prescribe medications only through a collaborative agreement with a physician.

Nurse practitioner services involve the performance for compensation of any act which requires substantial specialized education, judgment, and skill based on knowledge and application of principles derived from the biological, physical, social and nursing sciences, including: a) responsibility for the teaching of health care and the prevention of illness to the patient and his/her family; b) assessment, nursing diagnosis, nursing care, and counsel of persons who are ill, injured or experiencing alterations in normal health processes; c) administration of medications and treatments as prescribed by a person licensed in this state to prescribe such medications and treatments; and d) coordination and assistance in the delivery of a plan of health care with all members of the health team.

The services of a nurse practitioner may be administered in a variety of settings including the provider's office, a hospital, nursing home or clinic. Nurse practitioners are generally employed by physicians, but are not required to be employed by physicians.

Federally Qualified Health Clinic (FQHC) - The FQHC program was established by the Omnibus Budget Reconciliation Acts of 1989 (OBRA 89) and 1990 (OBRA 90). These laws designated certain community-based health care organizations as unique health care providers called Federally Qualified Health Centers. These laws establish a set of FQHC health care services that MO HealthNet and Medicare must cover for those beneficiaries who receive services from the FQHC and require the reimbursement of reasonable cost to the FQHC for such services.

By passing the FQHC legislation, Congress recognized the following two goals of the FQHC program:

- To provide adequate reimbursement to community-based primary health care organizations (FQHCs) so that they, in turn, may better serve a large number of MO HealthNet participants and/or provide more services, thus improving access to primary care.
- To enable FQHCs to use other resources previously subsidizing MO HealthNet to serve uninsured individuals who, although not eligible for MO HealthNet, have a difficult time obtaining primary care because of economic or geographic barriers.

In order to qualify for FQHC status, a facility must receive or be eligible for a grant under Section 329, 330 or 340 of the Public Health Service Act, meet the requirements for receiving such a grant, or have been a Federally Funded Health Center as of January 1, 1990.

FQHC services are initially reimbursed at 97% of the billed MO HealthNet FQHC covered charges. An annual audit of the MO HealthNet cost report is performed by the Institutional Reimbursement Unit (IRU) to determine reasonable costs. A settlement is made to adjust the reimbursement to 100% of the reasonable costs to provide MO HealthNet FQHC covered services.

Health Homes - Section 2703 of the ACA gives MO HealthNet the option to pay providers to coordinate care through a "Health Home" for individuals with chronic conditions. A health home is a "designated provider" or a health team that provides health home services to an individual with a chronic condition. A "designated provider" can be a physician, clinical practice or clinical group practice, rural clinic, community health center, home health agency, or any other entity or provider that is determined by MO HealthNet and approved by the Secretary of Health and Human Services to be a qualified health home. A team of health care professionals acting as a health home may include physicians and other professionals such as a nurse care coordinator, nutritionist or social worker. Health homes may be freestanding, virtual, or based at a hospital or other facility. Health home services include comprehensive care management, care coordination and health promotion, comprehensive transitional care from inpatient to other settings, patient and family support, and referral to community and social support services. Health homes are required to use "health information technology" to link services. Individuals who are eligible for health home services must have at least two chronic conditions or one chronic condition and the risk of having a second.

Payment is made for start-up costs and lost productivity due to collaboration demands on staff not covered by other streams of payment. In addition, clinical care management per member per month (PMPM) payments will be made for the reimbursement of the cost of staff primarily responsible for delivery of services not covered by other reimbursement (Primary Care Nurses) whose duties are not otherwise reimbursable by MO HealthNet. Also, payment is made to Practices for the value of the reduction in total health care PMPM cost, including the payments mentioned above, for the Practice Site's attributed MO HealthNet patients, relative to prior year experience.

Psychologists, Professional Counselors, and Licensed Clinical Social Workers - Medically necessary mental health services are available to MO HealthNet eligible children under the age of 21. Those services can be provided by psychologists, professional counselors and licensed clinical social workers. An adult may receive mental health services from a psychologist, but may only receive them from a licensed clinical social worker if they are a member of a FQHC or RHC. Licensed Professional Counselors may not provide services to adults in any setting.

Psychologists and provisionally licensed psychologists provide testing and assessment, individual, family and group therapy and crisis intervention services to children and adults.

Licensed Clinical Social Workers, provisionally Licensed Clinical Social Workers, Licensed Professional Counselors, and provisionally Licensed Professional Counselors provide assessment, individual, family and group therapy and crisis intervention services to children. Licensed Clinical Social Workers and provisionally Licensed Clinical Social Workers may also provide these services to adults in the FQHC or RHC setting.

A copayment, a portion of the providers' charges paid by the participant, is required on many physician services. Some participants or services are exempt from copay, including participants under age 19, those residing in a skilled nursing home, an intermediate care nursing home, a residential care home, an adult boarding home or a psychiatric hospital, participants who have both Medicare and Medicaid if Medicare covers the service and provides payment, participants who receive a transfer inpatient hospital admission, emergency services provided in an outpatient clinic or emergency room after the sudden onset of a medical condition if the absence of treatment could be expected to result in placing the patient's health in serious jeopardy, serious impairment to bodily functions or serious dysfunction of any bodily organ or part, certain therapy services, except when provided as an inpatient hospital service, services provided to pregnant women, blind recipients, managed care enrollees and foster care recipients, services identified as medically necessary through an Early Periodic Screening, Diagnostic and Treatment (EPSDT) screen, mental health services provided by community mental health facilities operated by the Department of Mental Health, family planning services, hospice services and some personal care services. The copayment for clinic visits is \$0.50, the copayment for Physician and Nurse Practitioners is \$1.00, and the copayment for FQHCs and RHCs is \$2.00. The copayment for podiatry is based on the lesser of the provider's usual charge for the service or the Maximum Allowable Amount. For podiatry services, the copayment is \$0.50 for charges of \$10.00 or less, \$1.00 for \$10.01 to \$25.00, \$2.00 for \$25.01 to \$50.00, and \$3.00 for charges of \$50.01 or more.

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**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

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State statute: RSMo. 208.153, 208.166; Federal law: Social Security Act Sections 1905(a)(2), (3), (5), (6), (9), (17), (21); 1905(r) and 1915(d); Federal regulations: 42 CFR 440.210, 440.500, 412.113(c) and 441 Subpart B.

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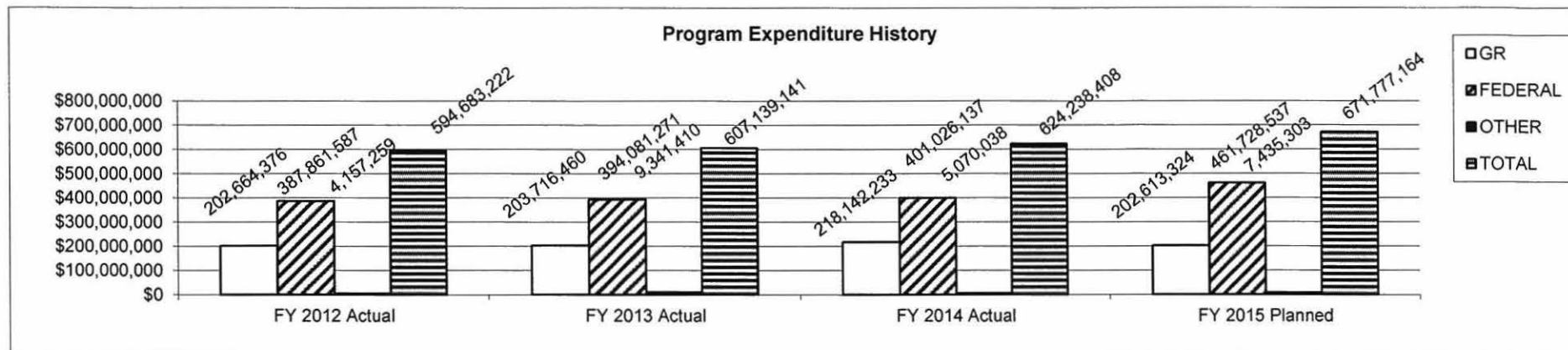
**3. Are there federal matching requirements? If yes, please explain.**

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States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is a blended 63.095% federal match. The state matching requirement is 36.905%.

**4. Is this a federally mandated program? If yes, please explain.**

Yes, if the state elects to have a Medicaid program. (Some services are optional: podiatry; clinics; nurse practitioners; CRNA and certified nurse anesthetist.)

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

FY 2012 actual expenditures do not reflect \$7,209,766 paid from supplemental pool.

FY 2015 planned is net of reverted. Reverted: \$42,812 Other.

**6. What are the sources of the "Other" funds?****7a. Provide an effectiveness measure.**

Maintain or increase the ratio of participants who receive EPSDT screenings.

The Healthy Children and Youth (HCY) Program in Missouri is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program is also known as Early Periodic Screening, Diagnosis and Treatment (EPSDT). The HCY Program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening.

EPSDT Participant Ratio			
*Federal Fiscal Year	Participants who should have received a screening	Participants who received at least one screening	Participant Ratio
2011	421,057	314,553	75%
2012	429,478	320,844	75%
2013	409,970	316,198	77%
**2014	409,970	316,198	77%
**2015	409,970	316,198	77%
**2016	409,970	316,198	77%

\*Based on federal fiscal year in which report was submitted to CMS.

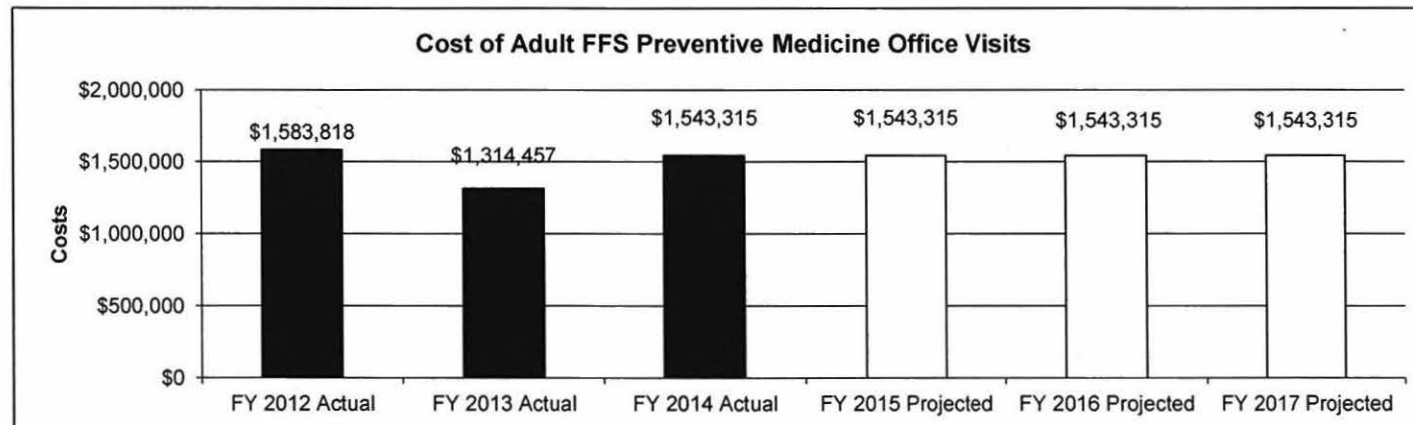
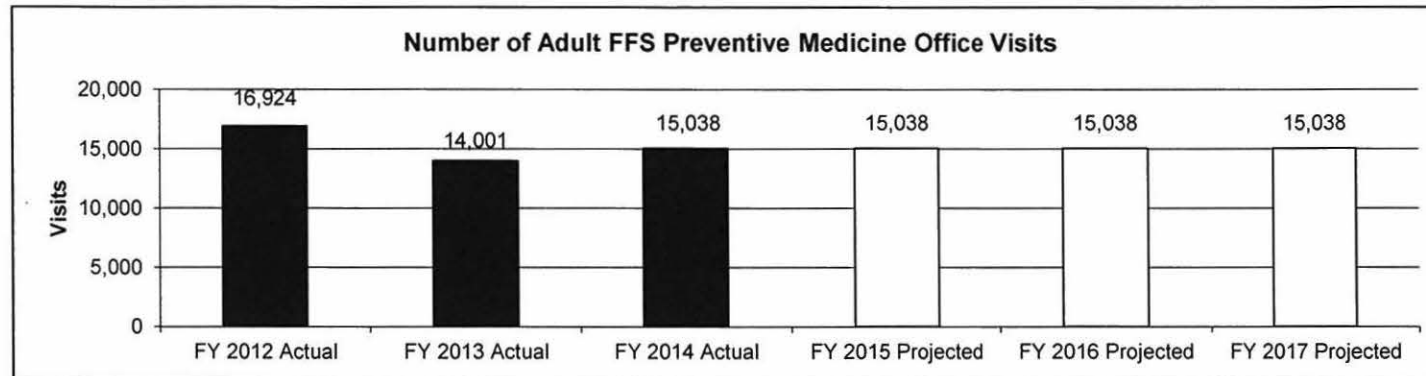
\*\*Projected



**7b. Provide an efficiency measure.**

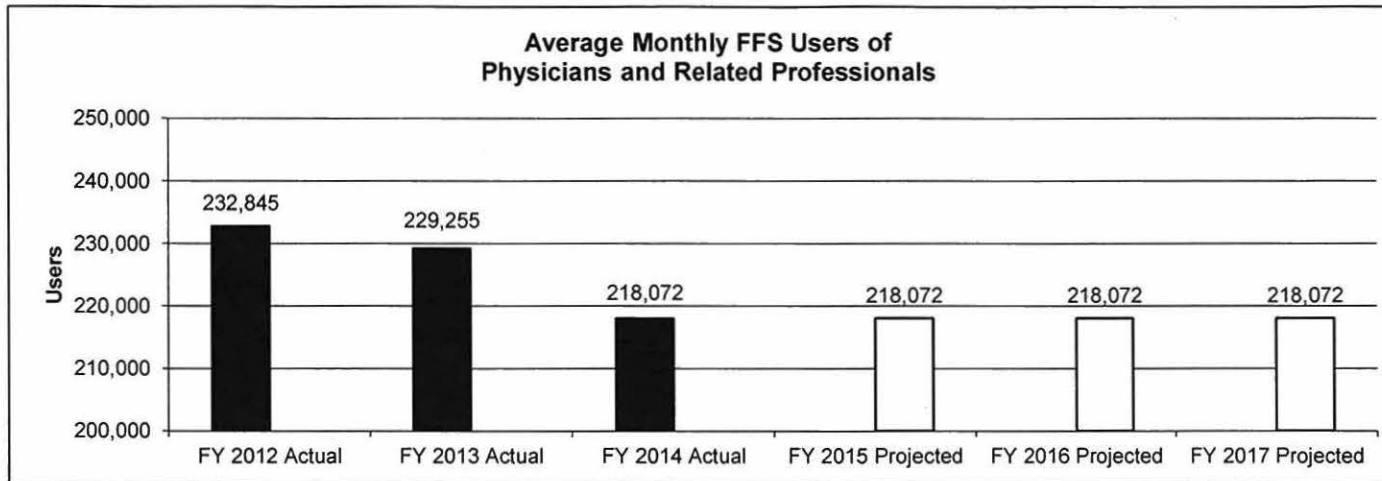
Increase the number of adult preventive office visits. In state fiscal year 2014, the number of fee-for-service (FFS) adult preventive office visits increased by over 1,000 from the number in state fiscal year 2013.

MO HealthNet pays for one "preventive" examination/physical. Preventive visits are important for routine evaluation and management of adults for the maintenance of good health and a reduction in risk factors that could lead to more expensive health care costs.



**7c. Provide the number of clients/individuals served, if applicable.**

Proper health care is essential to the general health and well-being of MO HealthNet participants. Physician related services are typically the front line where MO HealthNet participants enter the state's health care system. Services are provided by physicians, psychologists, nurse practitioners, podiatrists, clinics, and x-ray and lab facilities.



**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>DENTAL</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	43,475	0.00	0	0.00	0	0.00	0	0.00	
TOTAL - EE	43,475	0.00	0	0.00	0	0.00	0	0.00	
PROGRAM-SPECIFIC									
GENERAL REVENUE	5,133,555	0.00	23,396,947	0.00	23,396,947	0.00	4,381,357	0.00	
TITLE XIX-FEDERAL AND OTHER	9,499,294	0.00	41,783,127	0.00	41,783,127	0.00	9,173,093	0.00	
HEALTH INITIATIVES	69,027	0.00	71,162	0.00	71,162	0.00	71,162	0.00	
HEALTHY FAMILIES TRUST	464,299	0.00	848,773	0.00	848,773	0.00	848,773	0.00	
TOTAL - PD	15,166,175	0.00	66,100,009	0.00	66,100,009	0.00	14,474,385	0.00	
<b>TOTAL</b>	<b>15,209,650</b>	<b>0.00</b>	<b>66,100,009</b>	<b>0.00</b>	<b>66,100,009</b>	<b>0.00</b>	<b>14,474,385</b>	<b>0.00</b>	
<b>FMAP ADJUSTMENT - 1886032</b>									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	62,098	0.00	
TOTAL - PD	0	0.00	0	0.00	0	0.00	62,098	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>62,098</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$15,209,650</b>	<b>0.00</b>	<b>\$66,100,009</b>	<b>0.00</b>	<b>\$66,100,009</b>	<b>0.00</b>	<b>\$14,536,483</b>	<b>0.00</b>	

# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Dental

Budget Unit: 90546C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	23,396,947	41,783,127	919,935	66,100,009
TRF				
Total	<u>23,396,947</u>	<u>41,783,127</u>	<u>919,935</u>	<u>66,100,009</u>
FTE				0.00

<i>Est. Fringe</i>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Health Initiatives Fund (HIF) (0275)  
Healthy Families Trust Fund (0625)

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	4,381,357	9,173,093	919,935	14,474,385
TRF				
Total	<u>4,381,357</u>	<u>9,173,093</u>	<u>919,935</u>	<u>14,474,385</u>
FTE				0.00

<i>Est. Fringe</i>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Health Initiatives Fund (HIF) (0275)  
Healthy Families Trust Fund (0625)

## 2. CORE DESCRIPTION

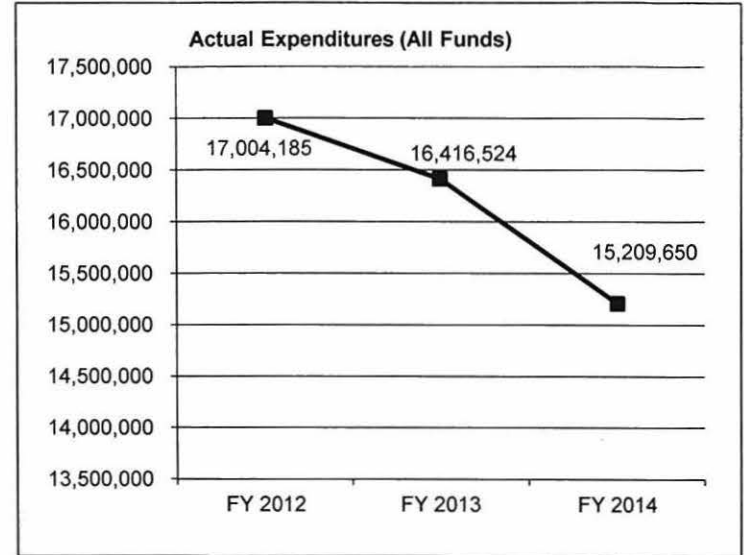
This core request is for the continued funding of the dental fee-for-service program. Funding provides dental services for children, pregnant women, the blind, and nursing facility residents.

## 3. PROGRAM LISTING (list programs included in this core funding)

Dental Services

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	20,313,841	20,313,841	18,363,160	66,100,009
Less Reverted (All Funds)	(2,135)	(2,135)	(17,135)	N/A
Budget Authority (All Funds)	20,311,706	20,311,706	18,346,025	N/A
Actual Expenditures (All Funds)	17,004,185	16,416,524	15,209,650	N/A
Unexpended (All Funds)	3,307,521	3,895,182	3,136,375	N/A
Unexpended, by Fund:				
General Revenue	1,123,637	0	1,098,464	N/A
Federal	2,098,532	3,895,182	1,653,437	N/A
Other	85,352	0	384,474	N/A
			(1)	(2)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) FY14 Rural Dental Clinics Pilot \$485,000 GR and \$750,000 Federal project did not begin due to timeliness of funds being released. Agency reserves of an additional 168,087 Federal due to match rate and \$384,474 Healthy Family Trust Funds due to lower revenue than anticipated and was offset with a GR supplemental for \$384,474.

(2) FY15 program was expanded to include new services.

#### 4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	Dental PMPM*	Acute Care PMPM	Total PMPM	Dental Percentage of Acute	Dental Percentage of Total
PTD	\$1.69	\$1,031.29	\$1,860.84	0.16%	0.09%
Seniors	\$1.12	\$363.32	\$1,541.27	0.31%	0.07%
Custodial Parents	\$0.21	\$468.91	\$495.28	0.04%	0.04%
Children*	\$1.56	\$276.10	\$307.93	0.57%	0.51%
Pregnant Women	\$3.17	\$596.36	\$609.11	0.53%	0.52%

Source: Table 23 Medical Statistics for Fiscal Year 2014 (Paid Claims Data)  
 \* CHIP eligibles not included

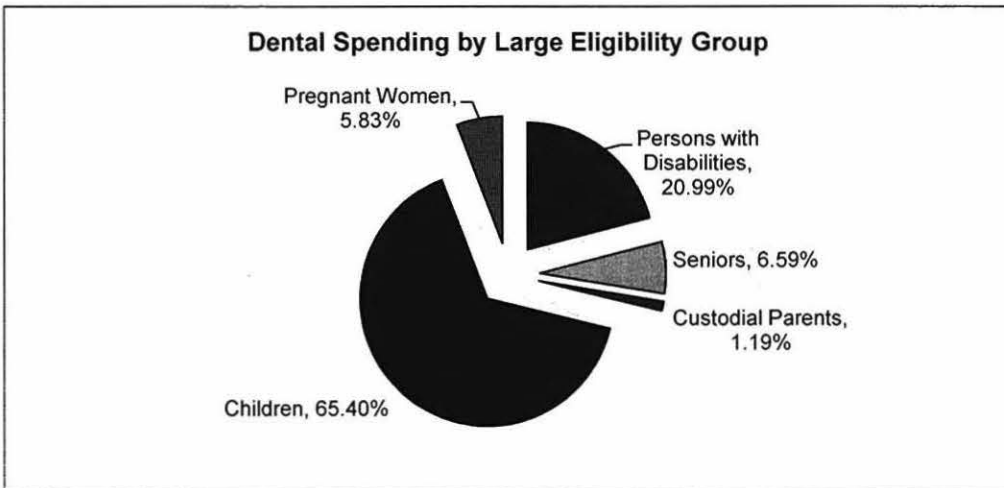
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for dental care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the dental PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for dental services. It provides a snapshot of what eligibility groups are receiving the services, as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for Fiscal Year 2014 (Paid Claims Data)

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**DENTAL**

**5. CORE RECONCILIATION DETAIL**

		<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>								
		PD	0.00	23,396,947	41,783,127	919,935	66,100,009	
		<b>Total</b>	<b>0.00</b>	<b>23,396,947</b>	<b>41,783,127</b>	<b>919,935</b>	<b>66,100,009</b>	
<b>DEPARTMENT CORE REQUEST</b>								
		PD	0.00	23,396,947	41,783,127	919,935	66,100,009	
		<b>Total</b>	<b>0.00</b>	<b>23,396,947</b>	<b>41,783,127</b>	<b>919,935</b>	<b>66,100,009</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reduction	1870 8710	PD	0.00	0	(750,000)	0	(750,000)	Core reduction of Dental Rural Health Clinic
Core Reduction	1870 8709	PD	0.00	(500,000)	0	0	(500,000)	Core reduction of Dental Rural Health Clinic
Core Reduction	1872 8198	PD	0.00	(18,453,492)	0	0	(18,453,492)	Core reduction of Adult Dental
Core Reduction	1872 8199	PD	0.00	0	(31,860,034)	0	(31,860,034)	Core reduction of Adult Dental
Core Reduction	2036 8198	PD	0.00	(62,098)	0	0	(62,098)	
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>(19,015,590)</b>	<b>(32,610,034)</b>	<b>0</b>	<b>(51,625,624)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		PD	0.00	4,381,357	9,173,093	919,935	14,474,385	
		<b>Total</b>	<b>0.00</b>	<b>4,381,357</b>	<b>9,173,093</b>	<b>919,935</b>	<b>14,474,385</b>	



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>DENTAL</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	43,131	0.00	0	0.00	0	0.00	0	0.00
MISCELLANEOUS EXPENSES	344	0.00	0	0.00	0	0.00	0	0.00
<b>TOTAL - EE</b>	<b>43,475</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
PROGRAM DISTRIBUTIONS	15,166,175	0.00	66,100,009	0.00	66,100,009	0.00	14,474,385	0.00
<b>TOTAL - PD</b>	<b>15,166,175</b>	<b>0.00</b>	<b>66,100,009</b>	<b>0.00</b>	<b>66,100,009</b>	<b>0.00</b>	<b>14,474,385</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$15,209,650</b>	<b>0.00</b>	<b>\$66,100,009</b>	<b>0.00</b>	<b>\$66,100,009</b>	<b>0.00</b>	<b>\$14,474,385</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>	<b>\$5,177,030</b>	<b>0.00</b>	<b>\$23,396,947</b>	<b>0.00</b>	<b>\$23,396,947</b>	<b>0.00</b>	<b>\$4,381,357</b>	<b>0.00</b>
<b>FEDERAL FUNDS</b>	<b>\$9,499,294</b>	<b>0.00</b>	<b>\$41,783,127</b>	<b>0.00</b>	<b>\$41,783,127</b>	<b>0.00</b>	<b>\$9,173,093</b>	<b>0.00</b>
<b>OTHER FUNDS</b>	<b>\$533,326</b>	<b>0.00</b>	<b>\$919,935</b>	<b>0.00</b>	<b>\$919,935</b>	<b>0.00</b>	<b>\$919,935</b>	<b>0.00</b>

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Dental**

**Program is found in the following core budget(s): Dental**

### 1. What does this program do?

Dental services are typically those diagnostic, preventive and corrective procedures provided by a licensed dentist or dental hygienist performing within his/her scope of practice. The dentist must be enrolled in the MO HealthNet program. Generally, dental services include: treatment of the teeth and associated structure of the oral cavity; preparation, fitting and repair of dentures and associated appliances; and treatment of disease, injury or impairments that affect the general oral health of a participant.

To participate in the MO HealthNet program, a dentist must be licensed by the Missouri Dental Board and have a signed Title XIX Participation Agreement. The services of a dentist may be administered in a variety of settings including the provider's office, a hospital, nursing home or clinic. The fees paid to the provider are based on maximum allowable amounts identified on a fee schedule. Prior authorization is required for certain services, such as: orthodontic treatment; composite resin crowns; metallic and porcelain/ceramic inlay restorations; high noble metal crowns; etc.

Since September 1, 2005, MO HealthNet has only covered dental services for adults (age 21 and over) (except individuals under a category of assistance for pregnant women or the blind or nursing facility residents) if the dental care is related to trauma of the mouth, jaw, teeth or other contiguous sites as a result of injury or for the treatment of a medical condition without which the health of the individual would be adversely affected. Treatment for a medical condition requires a written referral from the participant's physician stating that the absence of dental treatment would adversely affect a stated pre-existing medical condition.

Covered services under the dental program include, but are not limited to, the following: examinations; prophylaxis; fluoride treatments; extractions; anesthesia; crowns; injections; oral surgery; periodontal treatment (in limited cases); pulp treatment; restoration; root canal therapy and x-rays. Orthodontic services, the field of dentistry associated with the correction of abnormally positioned or misaligned teeth, are available only to those eligibles age 20 and under for the most severe malocclusions. Dentures (full or partial), denture adjustments or repairs, and denture duplication or relines are covered only for participants under a category of assistance for pregnant women, the blind, nursing facility residents or children 20 and under.

A copayment, a portion of the providers' charges paid by the participant, is required on many dental services. Participants under age 19, hospice participants, participants who reside in nursing facilities, residential care facilities, psychiatric hospitals or adult boarding homes, and participants age 18-21 in foster care are exempt from copayments. The copayment, in accordance with title 42 Code of Federal Regulations part 447.54, is based on the lesser of the provider's usual charge for the service or the Maximum Allowable Amount. The copayment is \$.50 for charges of \$10.00 or less, \$1.00 for \$10.01 to \$25.00, \$2.00 for \$25.01 to \$50.00 and \$3.00 for charges of \$50.01 or more. Reimbursement for services to individuals not subject to the copayment is determined by adding together the maximum allowable amount plus one-half the participant cost share amount listed for the procedure. This formula represents the minimum amount allowed for the procedure code. Reimbursement is made at the lower of the providers billed amount or the maximum allowed less any third-party liability (TPL) amounts.

#### Rate Change History:

7/1/2008: Maximum allowable reimbursement rates were increased to 38.5% of the 50th percentile of the usual and customary rate listed in the 2007 National Dental Advisory Service (NDAS) Comprehensive Fee Report.

7/1/2009: Maximum allowable reimbursement rates were increased to 38.75% of the 50th percentile of the usual and customary rate listed in the 2007 NDAS.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State Statute: RSMo. 208.152, 208.166; Federal law: Social Security Act Section 1905(a)(10); Federal regulation: 42 CFR 440.100

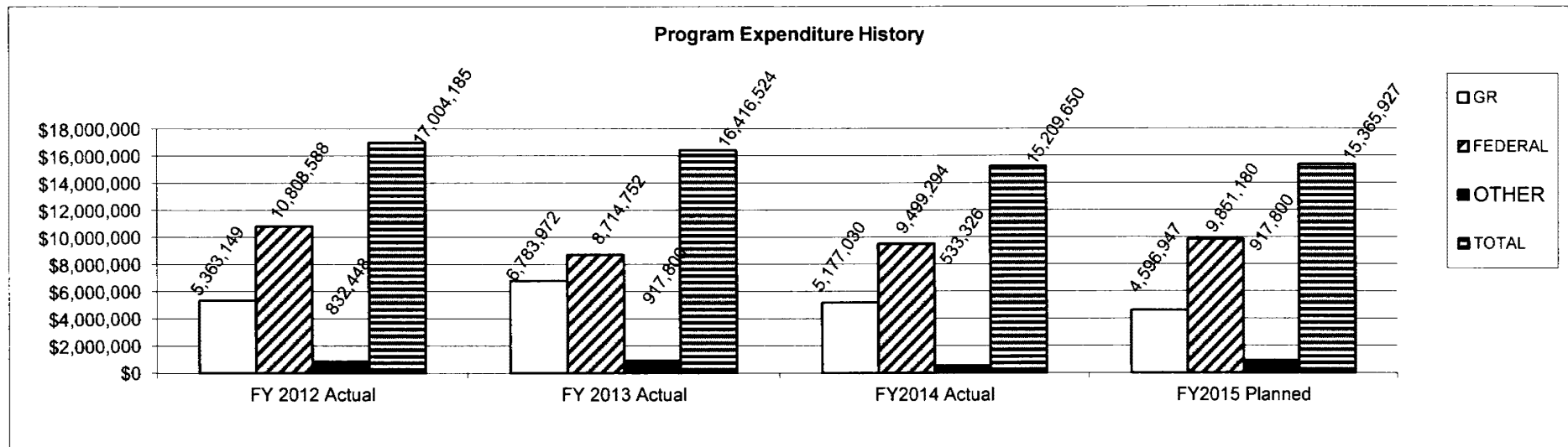
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is a blended 63.095% federal match. The state matching requirement is 36.905%.

**4. Is this a federally mandated program? If yes, please explain.**

Yes for children. No for adults.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



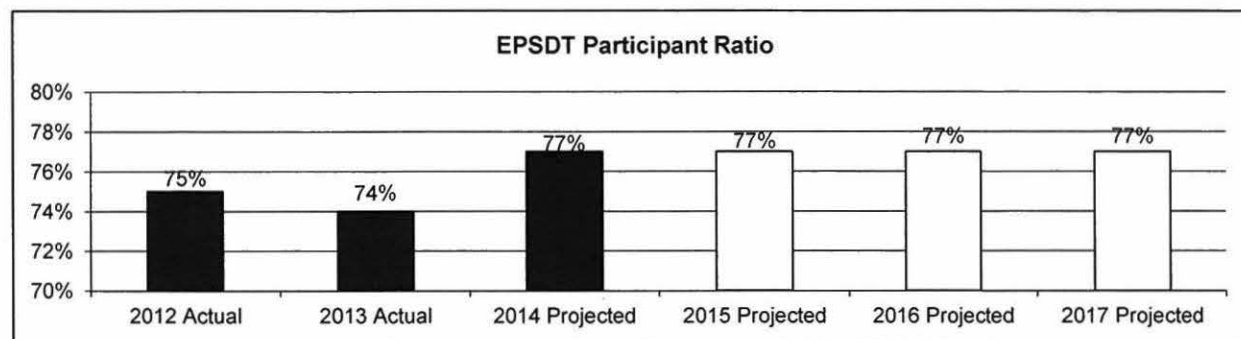
FY 2015 planned is net of reverted and reserved. Reverted: \$2,135 Other Funds; Restricted: \$18.3 million GR and \$31.2 Federal Funds.

**6. What are the sources of the "Other " funds?**

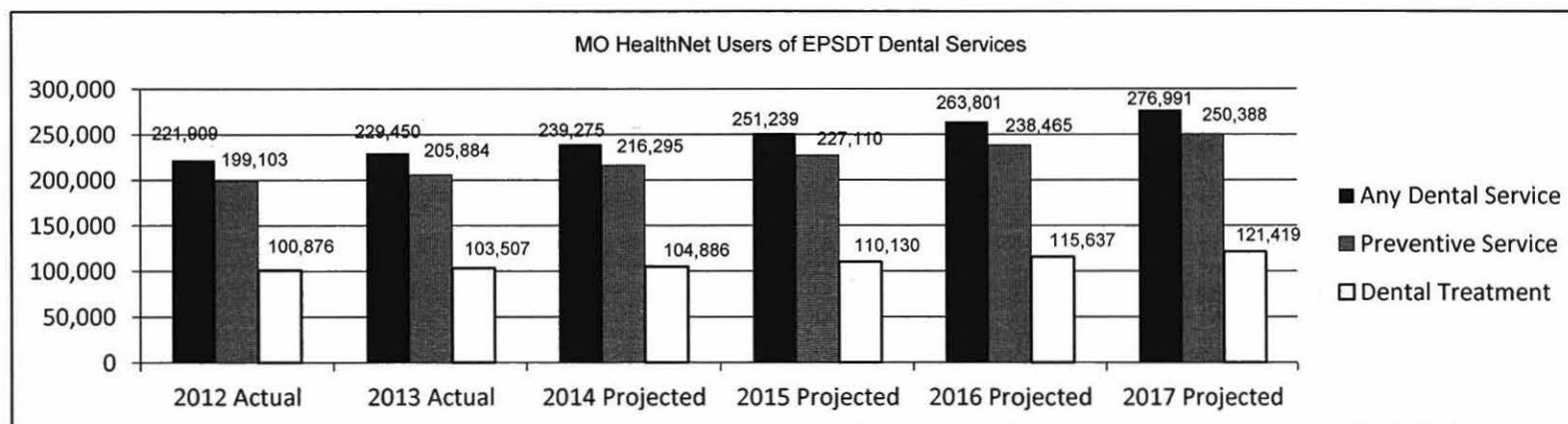
Health Initiatives Fund (0275) and Healthy Families Trust Fund (0625).

**7a. Provide an effectiveness measure.**

The purpose of the Early Periodic Screening Diagnosis and Treatment/ Healthy Children and Youth (EPSDT/HCY) program is to ensure a comprehensive, preventive health care program for Missouri. The HCY program provides early and periodic medical, dental, vision, and hearing screening, diagnosis and treatment to ameliorate defects and chronic conditions found during the screening. A dental screening is available to children from birth until they become 21 years of age.



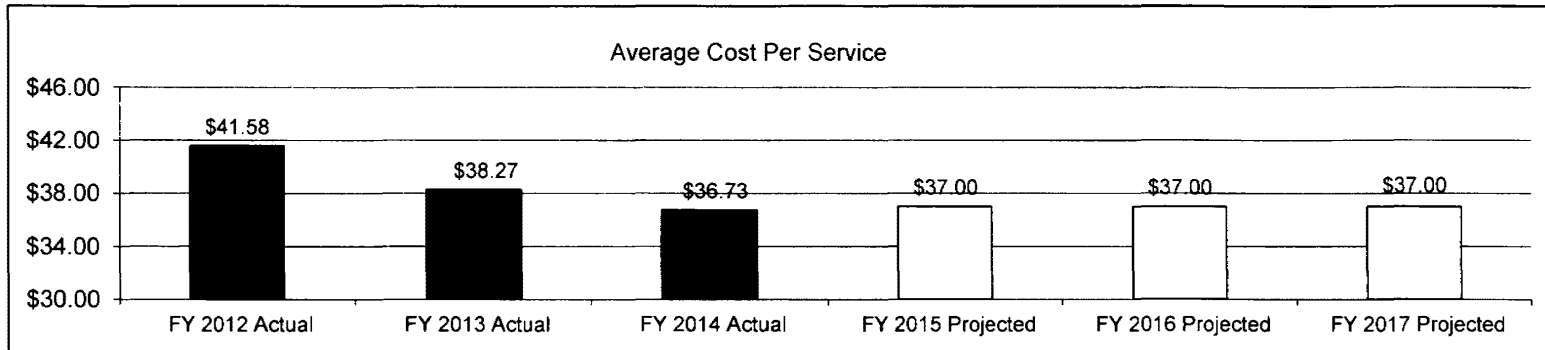
Based on federal fiscal year in which report was submitted to CMS.



Note: Data includes both fee-for-service and Managed Care. Based on federal fiscal year in which report was submitted to CMS.

**7b. Provide an efficiency measure.**

Provide adequate dental services to MO HealthNet recipients with the funds appropriated.



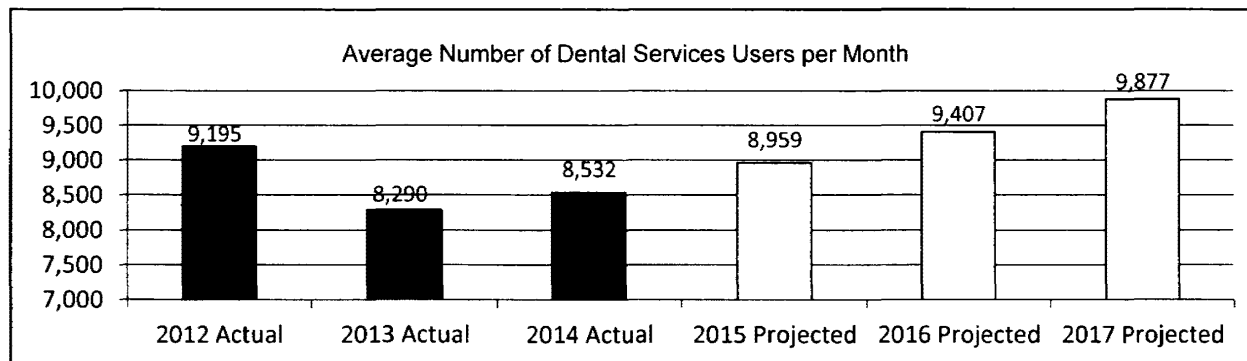
**7c. Provide the number of clients/individuals served, if applicable.**

Participants:

Dental services are available to all MO HealthNet participants. In the regions of the state where managed care has been implemented, children have dental services available through the managed care health plans.

Effective September 1, 2005 dental services were available only to children, pregnant women, the blind, and nursing facility residents. Dental services are available to other adults if the dental care was related to trauma or a disease/medical condition. Qualified Medicare Beneficiaries (QMB) are not eligible for dental services.

Senate Bill 577 (94th General Assembly) provided medically necessary dental services for adults; however no appropriations were allocated for these services.



Source: Table 23 Medical Statistics for Fiscal Year 2014 (Paid Claims Data)

**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>PREMIUM PAYMENTS</b>									
<b>CORE</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	67,609,195	0.00	70,814,205	0.00	70,814,205	0.00	67,746,481		0.00
TITLE XIX-FEDERAL AND OTHER	114,102,006	0.00	129,405,291	0.00	129,405,291	0.00	126,627,946		0.00
TOTAL - PD	181,711,201	0.00	200,219,496	0.00	200,219,496	0.00	194,374,427		0.00
<b>TOTAL</b>	<b>181,711,201</b>	<b>0.00</b>	<b>200,219,496</b>	<b>0.00</b>	<b>200,219,496</b>	<b>0.00</b>	<b>194,374,427</b>		<b>0.00</b>
<b>Medicare Premium Increase - 1886013</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	1,511,753	0.00	0		0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	2,920,165	0.00	0		0.00
TOTAL - PD	0	0.00	0	0.00	4,431,918	0.00	0		0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>4,431,918</b>	<b>0.00</b>	<b>0</b>		<b>0.00</b>
<b>FMAP ADJUSTMENT - 1886032</b>									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	1,459,072		0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,459,072		0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,459,072</b>		<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$181,711,201</b>	<b>0.00</b>	<b>\$200,219,496</b>	<b>0.00</b>	<b>\$204,651,414</b>	<b>0.00</b>	<b>\$195,833,499</b>		<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Premium Payments

Budget Unit: 90547C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	70,814,205	129,405,291		200,219,496
TRF				
Total	<u>70,814,205</u>	<u>129,405,291</u>		<u>200,219,496</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	67,746,481	126,627,946		194,374,427
TRF				
Total	<u>67,746,481</u>	<u>126,627,946</u>		<u>194,374,427</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

## 2. CORE DESCRIPTION

This core request is for the ongoing funding for premium payments for health insurance through the following MO HealthNet programs: Medicare Buy-In and the Health Insurance Premium Payment (HIPP) program.

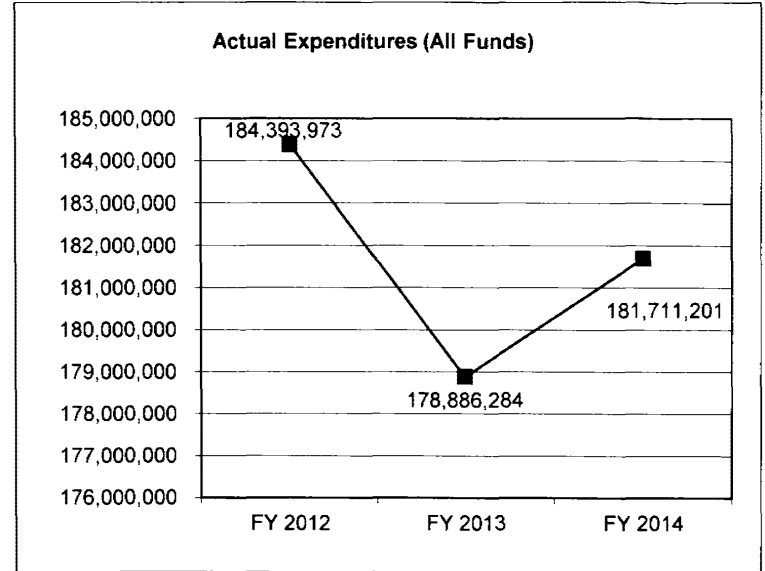
## 3. PROGRAM LISTING (list programs included in this core funding)

Premium Payments Program:  
Medicare Part A and Part B Buy-In  
Health Insurance Premium Payment (HIPP) Program



#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	206,474,371	178,886,284	181,712,730	200,219,496
Less Reverted (All Funds)	0	0		N/A
Budget Authority (All Funds)	206,474,371	178,886,284	181,712,730	N/A
Actual Expenditures (All Funds)	184,393,973	178,886,284	181,711,201	N/A
Unexpended (All Funds)	22,080,398	0	1,529	N/A
Unexpended, by Fund:				
General Revenue	7,500,058	0	581	N/A
Federal	14,580,340	0	948	N/A
Other	0	0		N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) FY12 Lapse result of premium rate decrease.

(2) FY13 Expenditures of \$7,112,098 were paid out of supplemental pool.

(3) FY14 Expenditures of \$11,059,968 were paid out of supplemental pool.

#### 4. FINANCIAL HISTORY

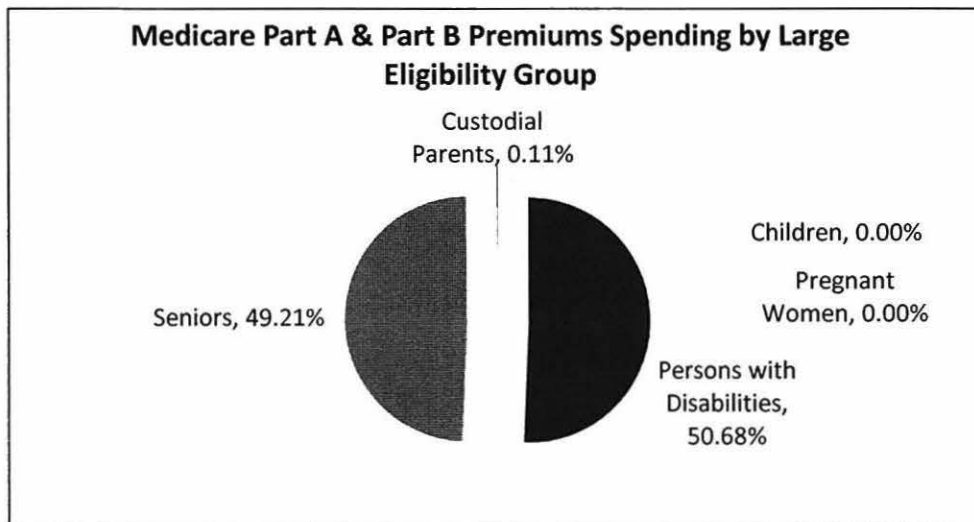
Cost Per Eligible - Per Member Per Month (PMPM)					
	Premium Payments PMPM*	Acute Care PMPM	Total PMPM	Premium Payments Percentage of Acute	Premium Payments Percentage of Total
PTD	\$48.49	\$1,031.29	\$1,860.84	4.70%	2.61%
Seniors	\$105.07	\$363.32	\$1,541.27	28.92%	6.82%
Custodial Parents	\$0.24	\$468.91	\$495.28	0.05%	0.05%
Children*	\$0.00	\$276.10	\$307.93	0.00%	0.00%
Pregnant Women	\$0.00	\$596.36	\$609.11	0.00%	0.00%

Source: Table 23 Medical Statistics for Fiscal Year 2014 (Paid Claims Data).  
\* CHIP eligibles not included

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.



The PMPM table reflects the PMPM amounts for premium payments, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the premium payments PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for the Premium Payments core. It provides a snapshot of what eligibility groups participate, as well as the populations impacted by program changes.

Source: Table 23 Medical Statistics for Fiscal Year 2014 (Paid Claims Data).

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**PREMIUM PAYMENTS**

**5. CORE RECONCILIATION DETAIL**

			<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>									
		PD		0.00	70,814,205	129,405,291	0	200,219,496	
		<b>Total</b>		<b>0.00</b>	<b>70,814,205</b>	<b>129,405,291</b>	<b>0</b>	<b>200,219,496</b>	
<b>DEPARTMENT CORE REQUEST</b>									
		PD		0.00	70,814,205	129,405,291	0	200,219,496	
		<b>Total</b>		<b>0.00</b>	<b>70,814,205</b>	<b>129,405,291</b>	<b>0</b>	<b>200,219,496</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>									
Core Reduction	1975 8201	PD		0.00	0	(2,777,345)	0	(2,777,345)	
Core Reduction	1975 8200	PD		0.00	(1,608,652)	0	0	(1,608,652)	
Core Reduction	2037 8200	PD		0.00	(1,459,072)	0	0	(1,459,072)	
<b>NET GOVERNOR CHANGES</b>				<b>0.00</b>	<b>(3,067,724)</b>	<b>(2,777,345)</b>	<b>0</b>	<b>(5,845,069)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>									
		PD		0.00	67,746,481	126,627,946	0	194,374,427	
		<b>Total</b>		<b>0.00</b>	<b>67,746,481</b>	<b>126,627,946</b>	<b>0</b>	<b>194,374,427</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PREMIUM PAYMENTS</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	181,711,201	0.00	200,219,496	0.00	200,219,496	0.00	194,374,427	0.00
TOTAL - PD	181,711,201	0.00	200,219,496	0.00	200,219,496	0.00	194,374,427	0.00
<b>GRAND TOTAL</b>	<b>\$181,711,201</b>	<b>0.00</b>	<b>\$200,219,496</b>	<b>0.00</b>	<b>\$200,219,496</b>	<b>0.00</b>	<b>\$194,374,427</b>	<b>0.00</b>
GENERAL REVENUE	\$67,609,195	0.00	\$70,814,205	0.00	\$70,814,205	0.00	\$67,746,481	0.00
FEDERAL FUNDS	\$114,102,006	0.00	\$129,405,291	0.00	\$129,405,291	0.00	\$126,627,946	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Premium Payments**

**Program is found in the following core budget(s): Premium Payments**

### 1. What does this program do?

This program pays for health insurance premiums for eligible participants. Payments include premiums for Medicare Part A, Medicare Part B and group health insurance premiums provided under the Health Insurance Premium Payment (HIPP) program. Payment of these premiums transfers medical costs from MO HealthNet to Medicare and other payers.

#### Payments and Beneficiaries

- Hospital insurance—Part A—helps pay for inpatient care in a hospital or skilled nursing facility (following a hospital stay), some home health care, and hospice care.
- Medical insurance—Part B—helps pay for doctors' services and many other medical services and supplies that are not covered by hospital insurance.
- Qualified Medicare Beneficiaries (QMBs) are Medicare recipients whose income is between 85% and 100% of the FPL. MO HealthNet pays Part B Premiums and some Part A premiums and co-pays and deductibles for Medicare approved services.
- Specified Low Income Medicare Beneficiary (SLMB) is a Medicare recipient whose income is between 100% and 120% of the FPL. MO HealthNet pays only Part B premiums.
- Qualifying Individuals (QI) is a Medicare recipient whose income is between 120% and 135% of the FPL. MO HealthNet pays only Part B premiums.

#### Medicare Buy-In

The Medicare Buy-in Program allows states to enroll certain groups of eligible individuals in the Medicare Part A and Part B program and pay their premiums. The purpose of buy-in is to permit the state, as part of its total assistance plan, to provide Medicare protection to certain groups of eligible individuals. It transfers medical costs from the Title XIX Medicaid program to the Medicare program - Title XVIII. This process allows the state to realize cost savings through substitution of Medicare liability for the majority of the medical costs before Medicaid reimburses for the services. There are two types of buy-in agreements - "1634 agreements" and "209b". States with "1634 agreements" have the same Medicaid eligibility standards as the Supplemental Security Income (SSI) program. States with more restrictive eligibility standards for Medicaid are "209b" states. The "209b" states make their own buy-in determinations. Missouri is a "209b" state.

The buy-in for Part A began in FY 1990 (September 1989). The Part B buy-in has been a MO HealthNet service since January 1968.

	Part A	Part B & QI
FY05	\$375.00	\$78.20
FY06	\$393.00	\$88.50
FY07	\$410.00	\$93.50
FY08	\$423.00	\$96.40
FY09	\$443.00	\$96.40
FY10	\$461.00	\$110.50
FY11	\$450.00	\$115.40
FY12	\$451.00	\$99.90
FY13	\$441.00	\$104.90
FY14	\$426.00	\$104.90

### Health Insurance Premium Payment

The Health Insurance Premium Payment (HIPP) program is a program that pays for the cost of health insurance premiums, coinsurance, and deductibles. The program pays for health insurance for MO HealthNet eligible's when it is "cost effective". "Cost effective" means that it costs less to buy health insurance to cover medical care than to pay for the same services with MO HealthNet funds. Cost effectiveness is determined by comparing the cost of the medical coverage (includes premium payments, coinsurance, and deductibles) with the average cost of each MO HealthNet eligible person in the household. The average cost of each MO HealthNet participant is based on the previous year's MO HealthNet expenditures with like demographic data: age; sex; geographic location (county); type of assistance (MO HealthNet for Families - MAF, Old Age Assistance - OAA, and disabled); and the types of services covered by the group insurance. The HIPP program has been a MO HealthNet program since September 1992.

Provisions of Omnibus Budget Reconciliation Act of 1990 (OBRA 90) require states to purchase group health insurance (such as an employer sponsored insurance) for a MO HealthNet participant (who is eligible to enroll for the coverage) when it is more cost-effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds.

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo 208.153; Federal law: Social Security Act Section 1905(p)(1), 1902(a)(10) and 1906; Federal Regulation: 42 CFR 406.26 and 431.625

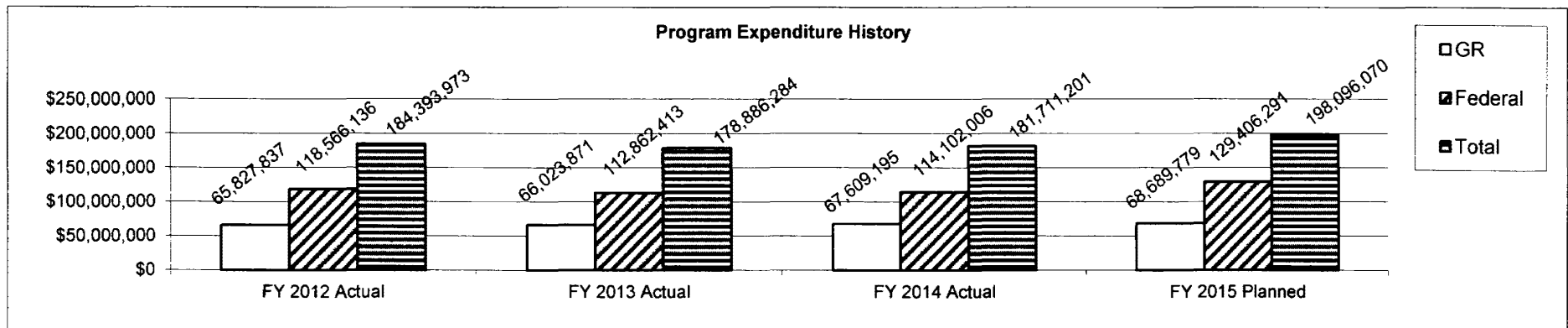
### **3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the annual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is a blended 63.095% federal match. The state matching requirement is 36.905%.

### **4. Is this a federally mandated program? If yes, please explain.**

Yes, if the state elects to have a Medicaid program.

### **5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

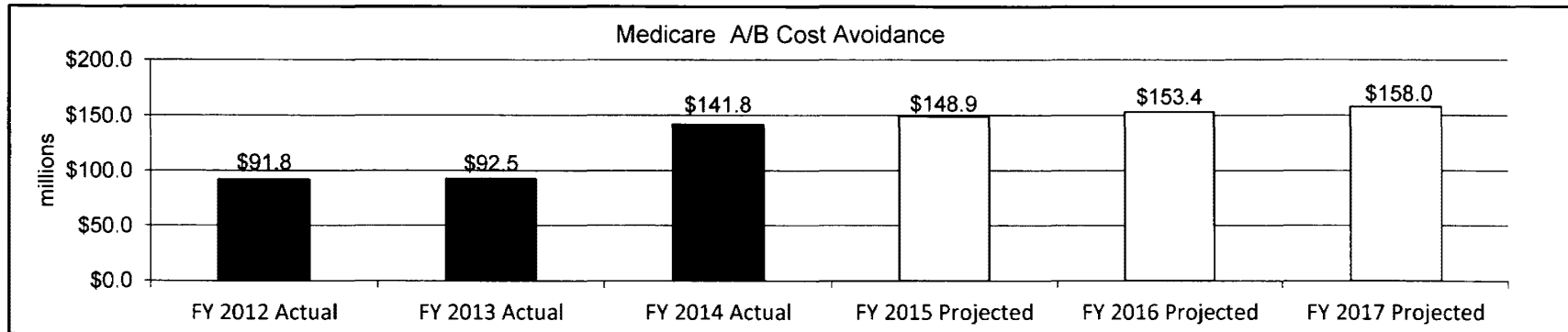


**6. What are the sources of the "Other " funds?**

N/A

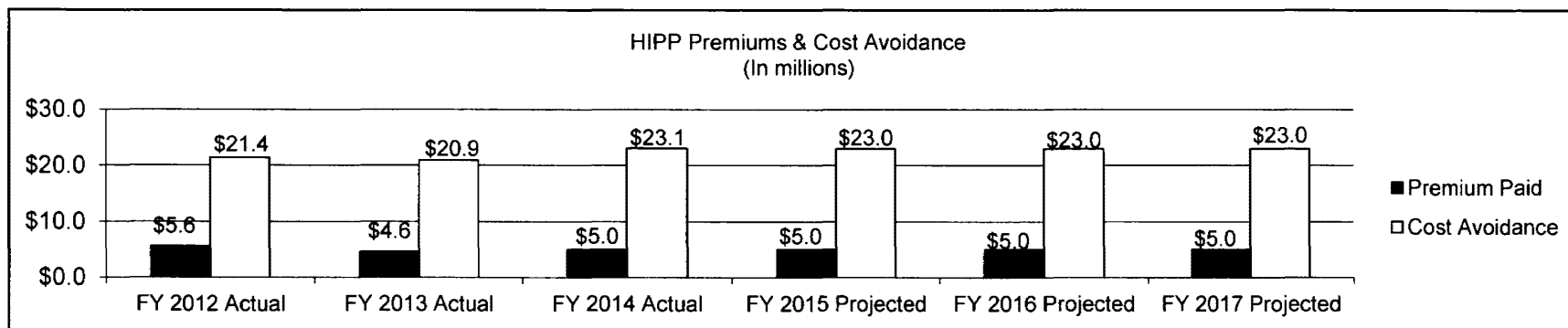
**7a. Provide an effectiveness measure.**

Increase cost avoidance by paying Medicare premiums for dual eligibles. By paying Medicare premiums for dual eligibles, the MO HealthNet avoided over \$141.8 million in SFY 2014 as shown in the chart below

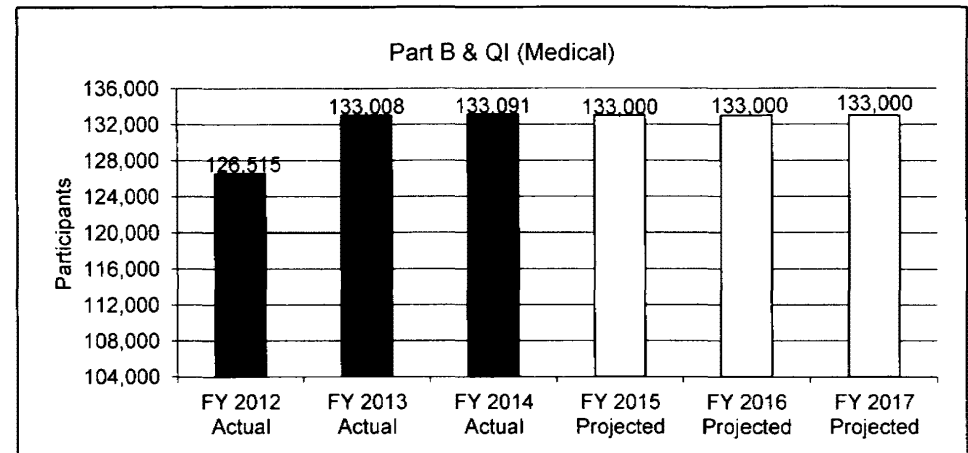
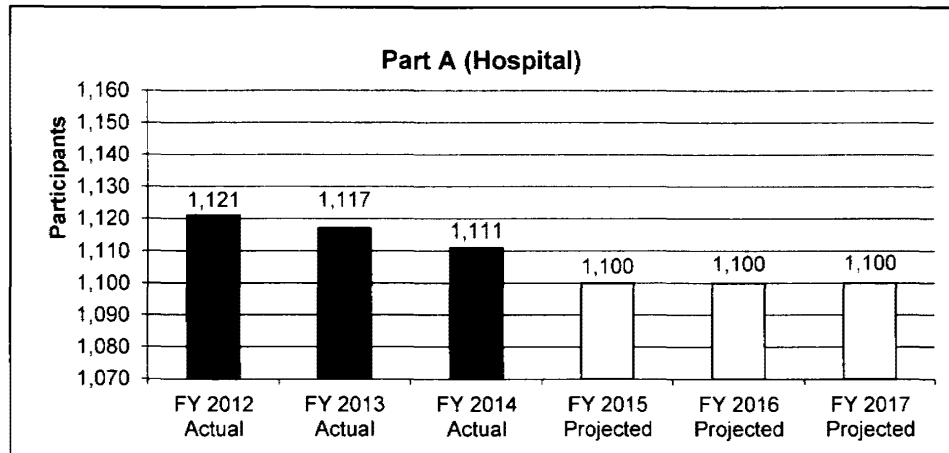


**7b. Provide an efficiency measure.**

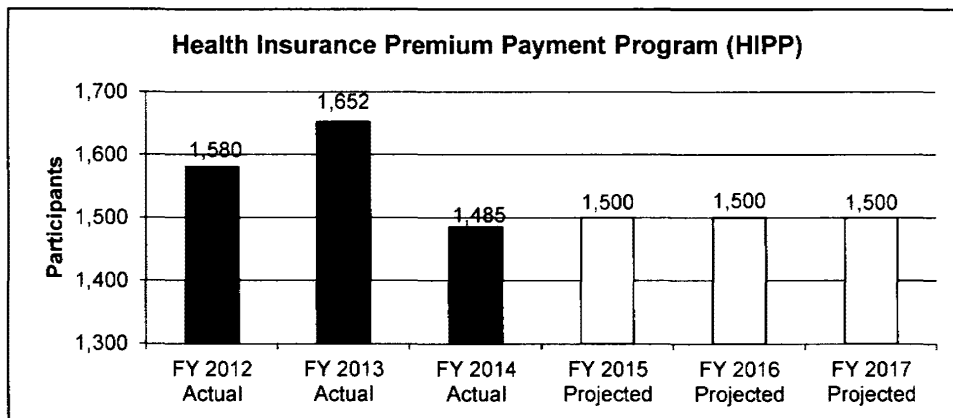
Increase cost avoidance by paying for health insurance premiums, coinsurance, and deductibles for MO HealthNet eligibles when it is cost effective to do so. In FY14, the MO HealthNet Division paid \$5.0 million for health insurance premiums, coinsurance and deductibles and avoided \$23.1 million in costs.



**7c. Provide the number of clients/individuals served, if applicable.**



Increase of FY2013 participants is due to processing backlog of Part B Participants.



Participants:

Part A (Hospital) premium payments can be made for: Qualified Medicare Beneficiaries (QMBs) and Qualified Disabled Working Individuals.

Part B (Medical) premium payments can be made for: Individuals meeting certain income standards, QMBs, and Specified Low-Income Medicare Beneficiaries.

HIPP: Provisions of OBRA 90 require states to purchase group health insurance for a MO HealthNet participant when it is more cost effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds.

**7d. Provide a customer satisfaction measure, if available.**

N/A



## NEW DECISION ITEM

RANK: 12

Department: Social Services  
 Division: MO HealthNet  
 DI Name: Medicare Premium Increases

Budget Unit: 90547C

DI#: 1886013

**1. AMOUNT OF REQUEST**

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	1,511,753	2,920,165		4,431,918
TRF				
<b>Total</b>	<b>1,511,753</b>	<b>2,920,165</b>		<b>4,431,918</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	0	0		0
TRF				
<b>Total</b>	<b>0</b>	<b>0</b>		<b>0</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

☐ New Legislation  
☒ Federal Mandate  
☐ GR Pick-Up  
☐ Pay Plan

☐ New Program  
☐ Program Expansion  
☐ Space Request  
☐ Other:

☐ Fund Switch  
☐ Cost to Continue  
☐ Equipment Replacement

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

NDI SYNOPSIS: Funding is requested for anticipated Medicare Part A and Part B increases.

Federal law mandates that the Medicare Part A and Part B premiums cover a certain percentage of the cost of the Medicare program. Medicare Part A and Part B premiums are adjusted each January. In FY16, Part A premiums are estimated to be \$443 which consists of FY15 projected of \$436 plus a \$7.00 increase. In FY16, Part B premiums are estimated to be \$109.90 (FY15 projected of \$104.90 plus a projected \$5.00 increase for FY16).

The Federal Authority is Social Security Act Section 1905(p)(1), 1902(a)(10), and 1906 and Federal Regulations 42 CFR 406.26 and 431.625. The State Authority is RSMo 208.153.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

This request is for six months of funding for the calendar year 2015 part A premium increases and six months of funding for the expected premium increases for calendar year 2016.

Projected participants are based on historical data. The projected premium increases are based on the average increases in premiums for the last few years as well as other information sources. The federal matching rate used is 63.45%. States are only required to pay the federal share for QIs (Qualified Individual). A QI is an individual with income between 120% and 135% of the federal poverty level with assets of \$6,000 per individual and \$9,000 per couple indexed each year according to Consumer Price Index.

<b>Department Request:</b>	<b>Part A</b>	<b>Part B</b>	<b>QI</b>
Eligibles per month (FY16)	1,184	133,845	9,860
Premium Increase (1/15)	\$10.00	\$0.00	\$0.00
Premium Increase (1/16)	\$7.00	\$5.00	\$5.00

Calendar Year 2015 Increase:

Average eligibles per month	1,184	133,845	9,860
Premium increase for 2015	\$10.00	\$0.00	\$0.00
Number of months to increase	6	6	6
Projected increase 7/15 - 12/15	71,040	0	0 *

Calendar Year 2016 Increase:

Average eligibles per month	1,184	133,845	9,860
Premium increase for 2016	\$7.00	\$5.00	\$5.00
Number of months to increase	6	6	6
Projected increase 1/16 - 6/16.	49,728	4,015,350	295,800

<b>Total</b>	<b>\$120,768</b>	<b>\$4,015,350</b>	<b>\$295,800</b>
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	<b>Total</b>	<b>GR</b>	<b>Federal</b>	
Part A Request	120,768	44,141	76,627	63.45%
Part B Request	4,015,350	1,467,612	2,547,738	63.45%
Part B QI	295,800		295,800	QI Federal only
<b>Total</b>	<b>\$4,431,918</b>	<b>\$1,511,753</b>	<b>\$2,920,165</b>	

\*FY15 Part B and QI funding already included in appropriation

\*This request was not included in the Governor's recommendation.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS

Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	1,511,753		2,920,165		0		4,431,918		
Total PSD	1,511,753		2,920,165		0		4,431,918		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	1,511,753	0.0	2,920,165	0.0	0	0.0	4,431,918	0.0	0

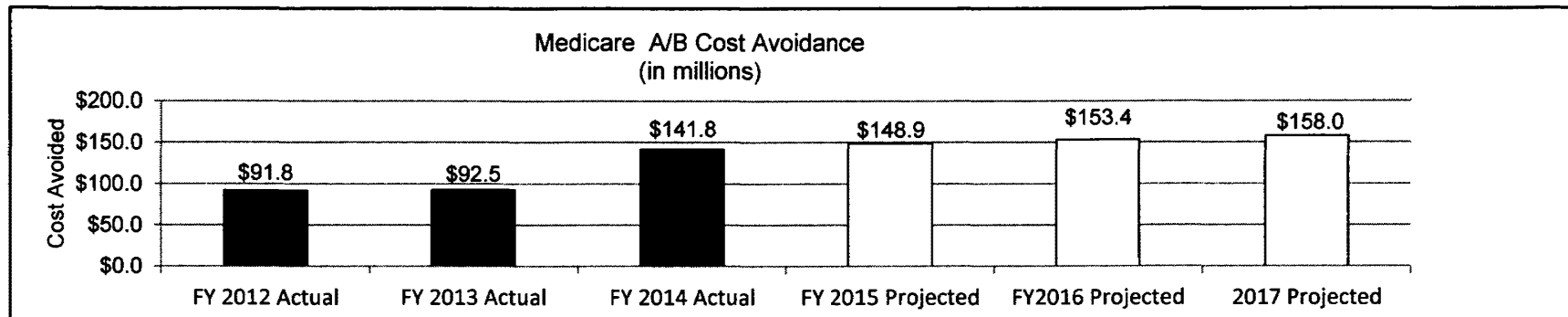
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS

Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0		0				0		
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

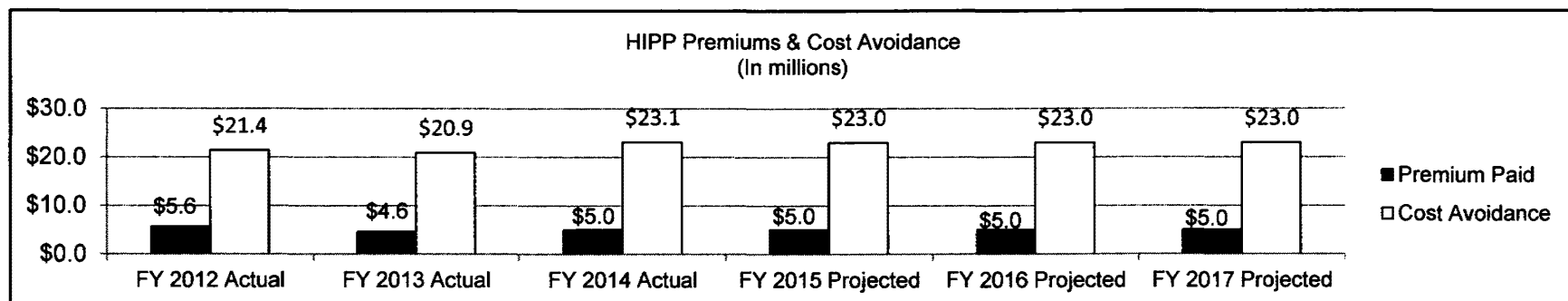
**6a. Provide an effectiveness measure.**

Effectiveness Measure: Increase cost avoidance by paying Medicare premiums for dual eligible's. By paying Medicare premiums for dual eligible's, the MO HealthNet avoided over \$141.8 million in SFY 2014 as shown in the chart below

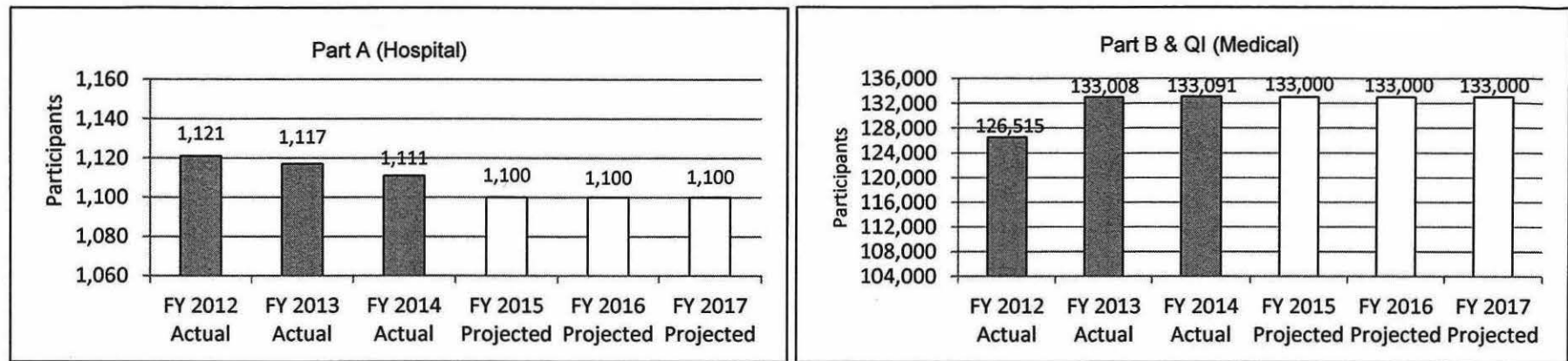


**6b. Provide an efficiency measure.**

Efficiency Measure: Increase cost avoidance by paying for health insurance premiums, coinsurance, and deductibles for Mo HealthNet eligible's when it is cost effective to do so. In FY14, the MO HealthNet Division paid \$5.0 million for health insurance premiums, coinsurance and deductibles and avoided \$23.1 million in costs.



**6c. Provide the number of clients/individuals served, if applicable.**



Increase of FY2013 participants is due to processing backlog of Part B Participants.

Participants: Part A (Hospital) premium payments can be made for: Qualified Medicare Beneficiaries (QMBs) and Qualified Disabled Working Individuals. Part B (Medical) premium payments can be made for: Individuals meeting certain income standards, QMBs, and Specified Low-Income Medicare Beneficiaries. HIPPA: Provisions of OBRA 90 require states to purchase group health insurance for a MO HealthNet participant when it is more cost effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds.

**6d. Provide a customer satisfaction measure, if available.**

N/A

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PREMIUM PAYMENTS</b>								
Medicare Premium Increase - 1886013								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,431,918	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,431,918	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$4,431,918</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,511,753	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$2,920,165	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00



# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITIES</b>								
<b>CORE</b>								
<b>PROGRAM-SPECIFIC</b>								
GENERAL REVENUE	149,986,646	0.00	136,285,830	0.00	136,285,830	0.00	135,973,551	0.00
TITLE XIX-FEDERAL AND OTHER	355,374,175	0.00	353,057,729	0.00	353,057,729	0.00	354,701,555	0.00
UNCOMPENSATED CARE FUND	58,516,478	0.00	58,516,478	0.00	58,516,478	0.00	58,516,478	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	2,592,981	0.00	2,592,981	0.00	2,592,981	0.00
NURSING FACILITY FED REIM ALLW	9,134,756	0.00	9,134,756	0.00	9,134,756	0.00	9,134,756	0.00
HEALTHY FAMILIES TRUST	17,973	0.00	17,973	0.00	17,973	0.00	17,973	0.00
TOTAL - PD	573,030,028	0.00	559,605,747	0.00	559,605,747	0.00	560,937,294	0.00
<b>TOTAL</b>	<b>573,030,028</b>	<b>0.00</b>	<b>559,605,747</b>	<b>0.00</b>	<b>559,605,747</b>	<b>0.00</b>	<b>560,937,294</b>	<b>0.00</b>
<b>Medicaid CTC - 1886018</b>								
<b>PROGRAM-SPECIFIC</b>								
GENERAL REVENUE	0	0.00	0	0.00	11,257,514	0.00	6,123,464	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	8,307,425	0.00	20,813,926	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	0	0.00	4,400,000	0.00
TOTAL - PD	0	0.00	0	0.00	19,564,939	0.00	31,337,390	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>19,564,939</b>	<b>0.00</b>	<b>31,337,390</b>	<b>0.00</b>
<b>FMAP ADJUSTMENT - 1886032</b>								
<b>PROGRAM-SPECIFIC</b>								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	1,264,391	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,264,391	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,264,391</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$573,030,028</b>	<b>0.00</b>	<b>\$559,605,747</b>	<b>0.00</b>	<b>\$579,170,686</b>	<b>0.00</b>	<b>\$593,539,075</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Nursing Facilities

Budget Unit: 90549C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	136,285,830	353,057,729	70,262,188	559,605,747
TRF				
Total	<u>136,285,830</u>	<u>353,057,729</u>	<u>70,262,188</u>	<u>559,605,747</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Uncompensated Care Fund (UCF) (0108)  
Healthy Families Trust Fund (HFTF) (0625)  
Third Party Liability Collections Fund (TPL) (0120)  
Nursing Facility Federal Reimbursement Allowance (NFFRA) (0196)

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	135,973,551	354,701,555	70,262,188	560,937,294
TRF				
Total	<u>135,973,551</u>	<u>354,701,555</u>	<u>70,262,188</u>	<u>560,937,294</u>
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Uncompensated Care Fund (UCF) (0108)  
Healthy Families Trust Fund (HFTF) (0625)  
Third Party Liability Collections Fund (TPL) (0120)  
Nursing Facility Federal Reimbursement Allowance (NFFRA) (0196)

## 2. CORE DESCRIPTION

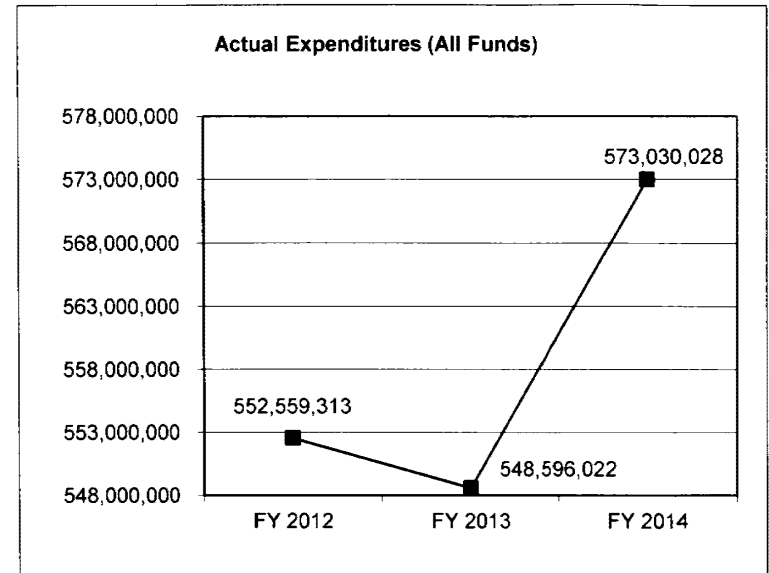
This core is for ongoing funding for payments for long-term nursing care for MO HealthNet participants.

## 3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facilities

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	558,468,676	552,824,449	577,493,965	559,605,747
Less Reverted (All Funds)	(2,151,015)	0	0	N/A
Budget Authority (All Funds)	556,317,661	552,824,449	577,493,965	N/A
Actual Expenditures (All Funds)	552,559,313	548,596,022	573,030,028	N/A
Unexpended (All Funds)	3,758,348	4,228,427	4,463,937	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	3,758,347	2,239,957	1,870,956	N/A
Other	1	1,988,470	2,592,981	N/A
	(1)	(2)	(3)	(4)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) FY12 Federal Reserve of \$3,727,681.

(2) FY13 Reserve of \$1,134,437 Third Party Liability Collections Fund.

(3) FY14 Reserve of \$2,592,981 Third Party Liability Collections Fund.

(4) FY15 Decrease is due to \$16.7 million transfer to DMH and \$7 million core reallocation to Pharmacy.

#### 4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	<i>Nursing Facility PMPM*</i>	<i>Acute Care PMPM</i>	<i>Total PMPM</i>	<i>Nursing Facility Percentage of Acute</i>	<i>Nursing Facility Percentage of Total</i>
PTD	\$156.56	\$1,031.29	\$1,860.84	15.18%	8.41%
Seniors	\$820.89	\$363.32	\$1,541.27	225.94%	53.26%
Custodial Parents	\$0.33	\$468.91	\$495.28	0.07%	0.07%
Children*	\$0.00	\$276.10	\$307.93	0.00%	0.00%
Pregnant Women	\$0.00	\$596.36	\$609.11	0.00%	0.00%

Source: Table 23 Medical Statistics for Fiscal Year 2014 (claims paid data). Add-on payments funded from FRA provider tax not included.  
 \* CHIP eligibles not included

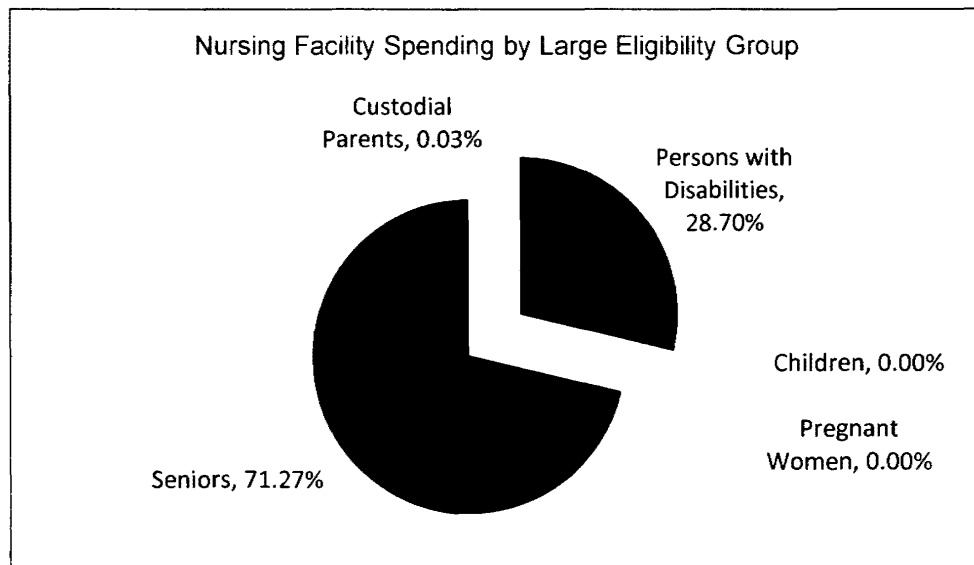
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for nursing facilities, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the nursing facility PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for nursing facilities. It provides a snapshot of what eligibility groups are receiving nursing facility services as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for Fiscal Year 2014 (claims paid data).

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES

### NURSING FACILITIES

### 5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>								
		PD	0.00	136,285,830	353,057,729	70,262,188	559,605,747	
		<b>Total</b>	<b>0.00</b>	<b>136,285,830</b>	<b>353,057,729</b>	<b>70,262,188</b>	<b>559,605,747</b>	
<b>DEPARTMENT CORE REQUEST</b>								
		PD	0.00	136,285,830	353,057,729	70,262,188	559,605,747	
		<b>Total</b>	<b>0.00</b>	<b>136,285,830</b>	<b>353,057,729</b>	<b>70,262,188</b>	<b>559,605,747</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reduction	2040 6472	PD	0.00	(1,264,391)	0	0	(1,264,391)	
Core Reallocation	2000 6473	PD	0.00	0	1,643,826	0	1,643,826	
Core Reallocation	2000 6472	PD	0.00	952,112	0	0	952,112	
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>(312,279)</b>	<b>1,643,826</b>	<b>0</b>	<b>1,331,547</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		PD	0.00	135,973,551	354,701,555	70,262,188	560,937,294	
		<b>Total</b>	<b>0.00</b>	<b>135,973,551</b>	<b>354,701,555</b>	<b>70,262,188</b>	<b>560,937,294</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITIES</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	573,030,028	0.00	559,605,747	0.00	559,605,747	0.00	560,937,294	0.00
TOTAL - PD	573,030,028	0.00	559,605,747	0.00	559,605,747	0.00	560,937,294	0.00
<b>GRAND TOTAL</b>	<b>\$573,030,028</b>	<b>0.00</b>	<b>\$559,605,747</b>	<b>0.00</b>	<b>\$559,605,747</b>	<b>0.00</b>	<b>\$560,937,294</b>	<b>0.00</b>
GENERAL REVENUE	\$149,986,646	0.00	\$136,285,830	0.00	\$136,285,830	0.00	\$135,973,551	0.00
FEDERAL FUNDS	\$355,374,175	0.00	\$353,057,729	0.00	\$353,057,729	0.00	\$354,701,555	0.00
OTHER FUNDS	\$67,669,207	0.00	\$70,262,188	0.00	\$70,262,188	0.00	\$70,262,188	0.00

## PROGRAM DESCRIPTION

**Department:** Social Services

**Program Name:** Nursing Facilities

**Program is found in the following core budget(s):** Nursing Facilities

### 1. What does this program do?

This program provides long-term institutional care for MO HealthNet participants. An average of 503 nursing facilities were enrolled in the MO HealthNet program in SFY 14 with an average of 23,413 participants per month. Nursing facility care users are 2.78% of the total MO HealthNet participants. However, the nursing facility program comprises almost 14.09% of the total program dollars.

Payment is based on a per diem rate established for each nursing home by the Institutional Reimbursement Unit (IRU) of the MO HealthNet Division. A portion of the per diem rate is paid from the Nursing Facilities budget section and a portion from the Nursing Facilities Federal Reimbursement Allowance (NFFRA) section.

The current reimbursement methodology is based on a cost component system. The components are patient care, ancillary, administration and capital. A working capital allowance, incentives and the NFFRA are also elements of the total reimbursement rate. Patient care includes medical supplies, nursing, supplies, activities, social services and dietary costs. Ancillary services are therapies, barber and beauty shop, laundry and housekeeping. Administration includes plant operation costs and administrative costs. Capital costs are reimbursed through a fair rental value methodology. The capital component includes rental value, return, computed interest, borrowing costs and pass-through expenses. Property insurance and real estate and personal property taxes (the pass-through expenses) are the only part of the capital component that is trended. The working capital allowance per diem rate is equal to 1.1 months of the total of the facility's per diem rates for the patient care, ancillary and administration cost components multiplied by the prime rate plus 2%. There are three incentives which are paid to qualified facilities to encourage patient care expenditures and cost efficiencies in administration. The patient care incentive is 10% of a facility's patient care per diem up to a maximum of 130% of the patient care median. The ancillary incentive is paid to all facilities whose costs are below the ancillary ceiling. The amount is one-half of the difference between certain parameters. The multiple component incentive is allowed for facilities whose patient care and ancillary per diem rate are between 60 - 80% of total per diem rate. An additional amount is allowed for facilities with high MO HealthNet utilization. The current NFFRA is also included in the total reimbursement rate since it is an allowable MO HealthNet cost.

The reimbursement system is a prospective system. When the rate is established on a particular cost report year, it will not change until the rates are rebased on another cost report year. This rate may be adjusted for global per diem rate adjustments, such as trends, which are granted to the industry as a whole and are applied to the previously established rate.

Providers are reimbursed for MO HealthNet participants based on the residents' days of care multiplied by the facility's Title XIX per diem rate less any patient surplus amount. The amount of money the MO HealthNet participant contributes to his or her nursing home care is called patient surplus. The patient surplus is based upon the participant's income and expenses. The amount of the patient surplus is calculated by a Family Support Division caseworker. The gross income (usually a Social Security benefit check) of the participant is adjusted for the personal needs allowance, an allotment of money allocated for use by the community spouse or dependent children and medical deductions (Medicare premiums or private medical insurance premiums that the participant pays for his own medical coverage). The remainder is the patient surplus. The participant and the nursing facility are notified of the amount of the patient surplus by the Family Support Division. The nursing home provider is responsible for obtaining the patient surplus from the participant.

Rate Increase History: FY14 \$3.72; FY15-FY13-FY10-FY09-FY08-FY07 (see NFFRA).

During SFY 10, MHD implemented a change in reimbursement of Medicare/Medicaid crossover claims for Medicare Part A and Medicare Advantage/Part C inpatient skilled nursing facility benefits. Effective for dates of service beginning April 1, 2010, MHD no longer automatically reimburses the coinsurance or cost sharing amount determined by Medicare or the Medicare Advantage Plan for inpatient nursing facility services. MHD now determines the MO HealthNet reimbursement for the coinsurance or cost sharing amount of crossover claims which is limited to the fee-for-service amount that would be paid by MHD for those services.

Beginning January 1, 2010 (HB 395) the personal needs allowance must be increased by an amount equal to the product of the percentage of the Social Security benefit cost-of-living adjustment and the average amount that MO HealthNet participants are required to contribute to their cost of care, not to exceed \$5.00 in any year. When the allowance reaches \$50, there will be no further increases unless authorized by annual appropriation. There was a Social Security cost-of-living adjustment for 2013 which increased the personal needs allowance by the maximum amount of \$5.00. The personal needs allowance has increased to \$45.00 effective January 1, 2014.

Encourage spending for direct patient care expense by utilizing a reimbursement methodology that allows for higher reimbursement of patient care costs while limiting administration and capital costs. The ceilings for the cost components related to patient care (patient care and ancillary) are 120% of the median. Various limitations are applied to administration and capital costs, some of which are identified below.

Cost Component Ceilings	
Patient Care	120% of median
Ancillary	120% of median
Administration	110% of median

Limitations on Administration & Capital Costs
* Minimum Utilization of 85% applied to Administration and Capital
* Owners' Compensation is limited
* Home office costs are limited to 7% of gross revenues less contractual allowance
* Related party transactions are limited to the cost incurred by the related party
* Fair Rental Value calculation is used to determine the capital cost component which limits excessive real estate costs.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.153, 208.159; 208.201 Federal law: Social Security Act Section 1905(a)(4); Federal regulations: 42CFR 440.40 and 440.210

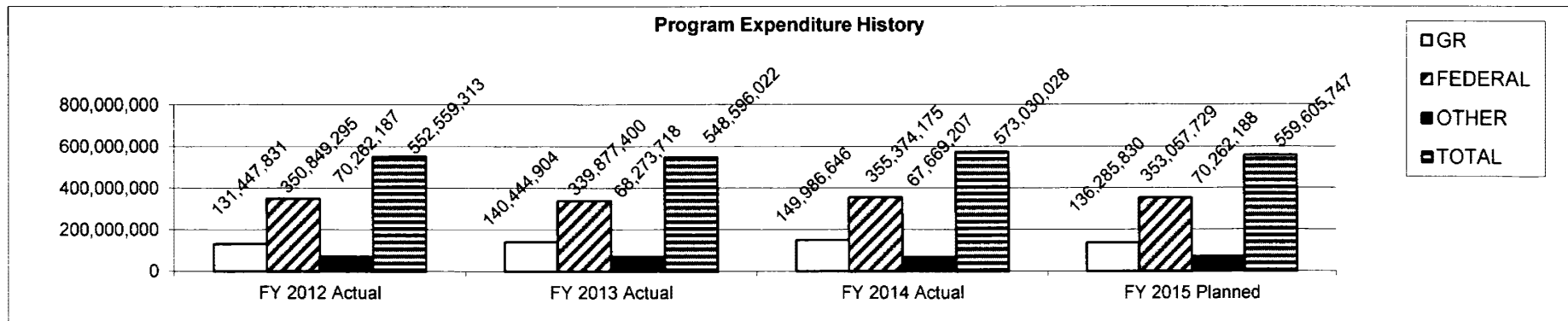
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 15 is a blended 63.095% federal match. The state matching requirement is 36.905%.

**4. Is this a federally mandated program? If yes, please explain.**

Yes, for people over age 21.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

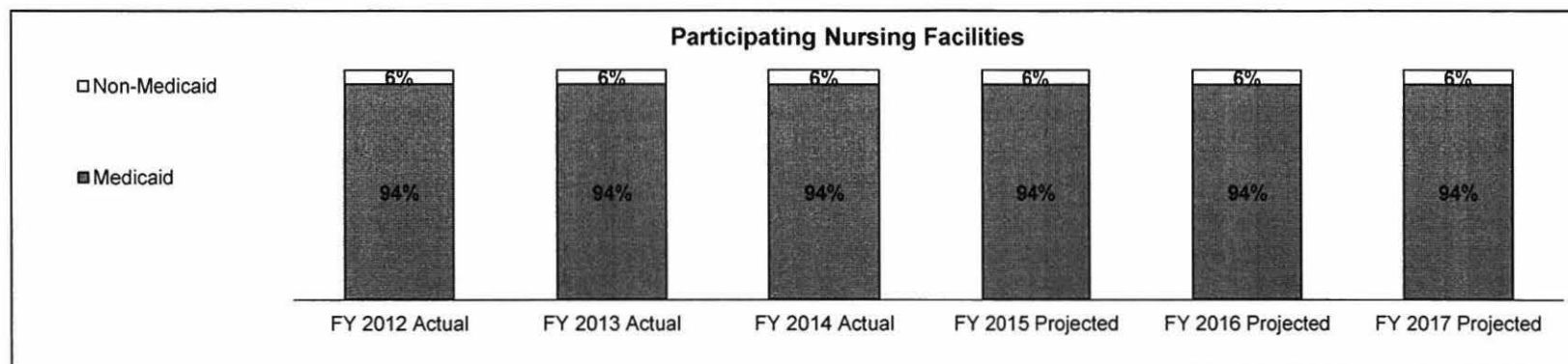


**6. What are the sources of the "Other " funds?**

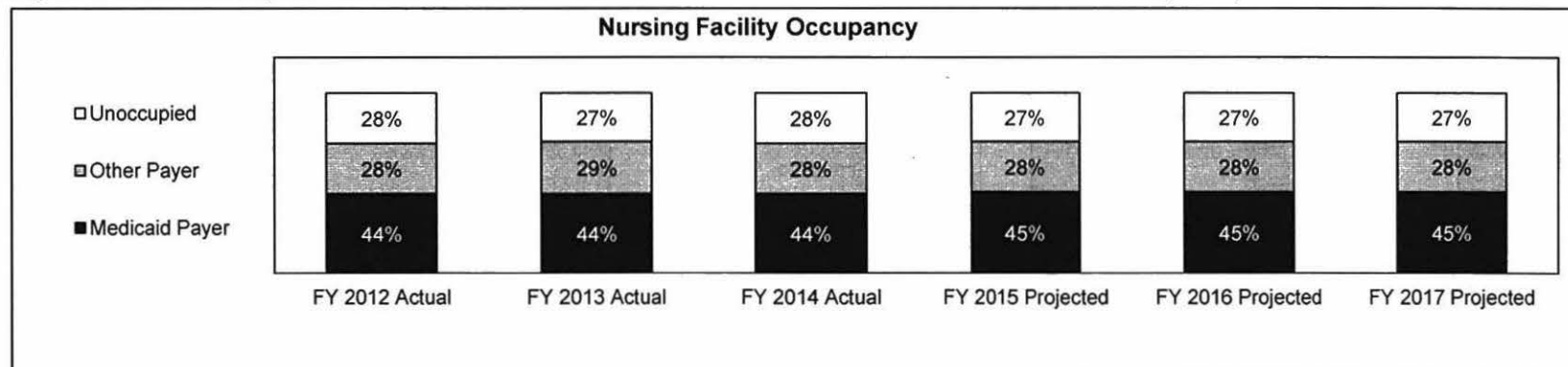
Uncompensated Care Fund (0108), Third Party Liability Collections Fund (0120), Healthy Families Trust Fund (0625) and Nursing Facilities Federal Reimbursement Allowance Fund (0196).

**7a. Provide an effectiveness measure.**

Provide reimbursement that is sufficient to ensure nursing facilities enroll in the MO HealthNet program. During the past three state fiscal years, over 90% of licensed nursing facilities in the state participated in the MO HealthNet program.



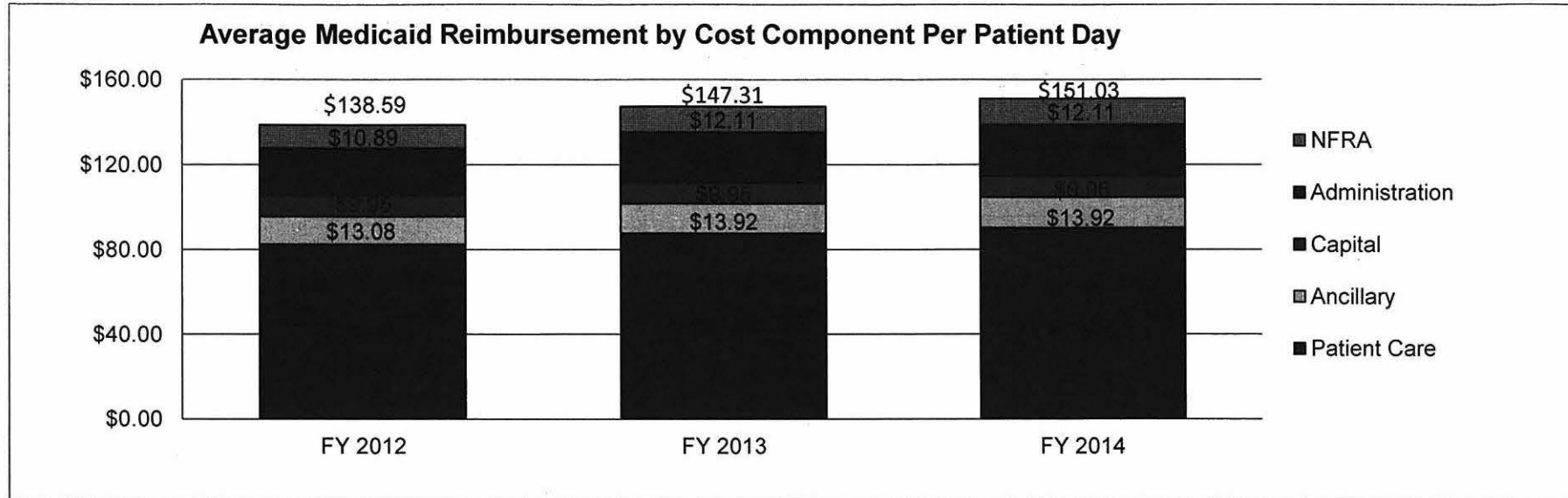
Provide adequate reimbursement to ensure MO HealthNet participants have sufficient access to care. In the past three state fiscal years, at least 27% of nursing facility beds were unoccupied. There are a sufficient number of beds available to care for MO HealthNet participants.



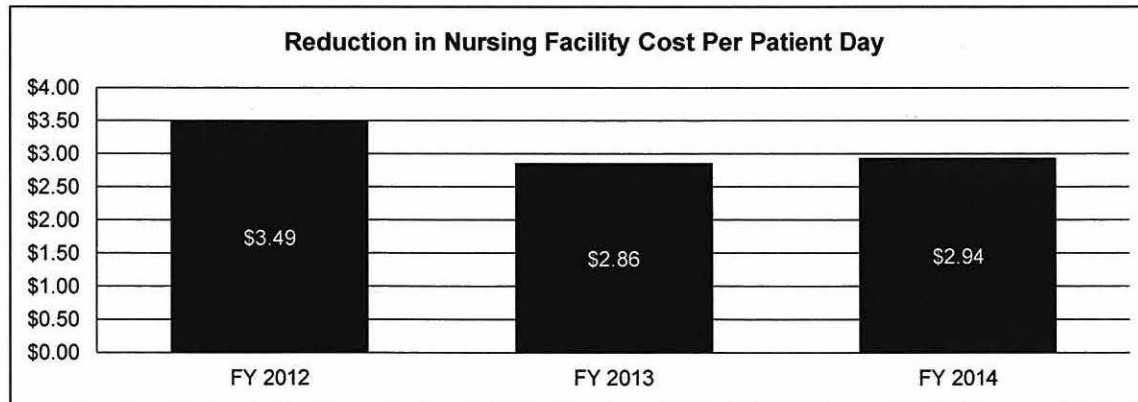


**7b. Provide an efficiency measure.**

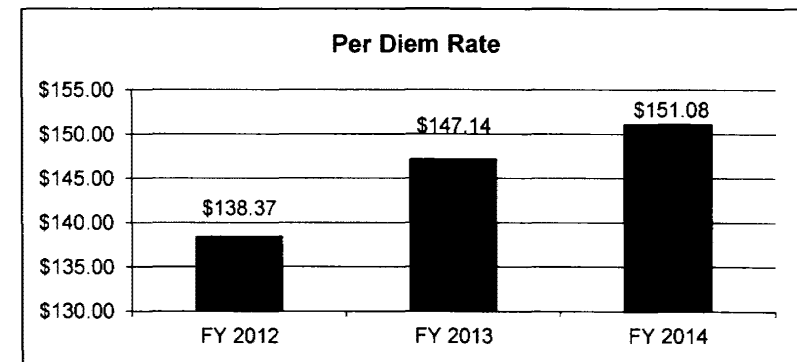
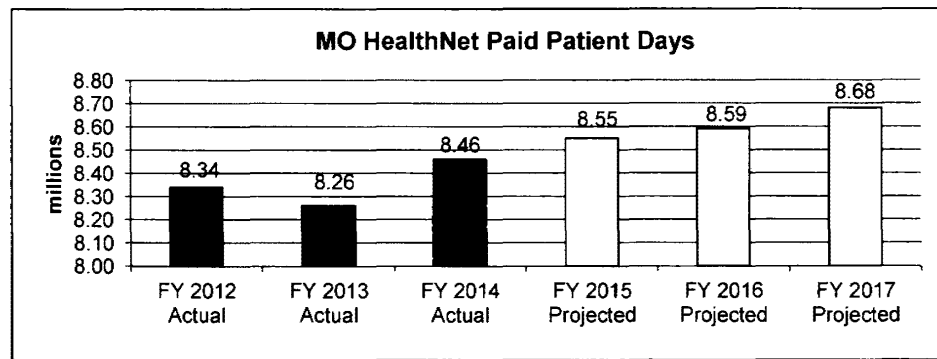
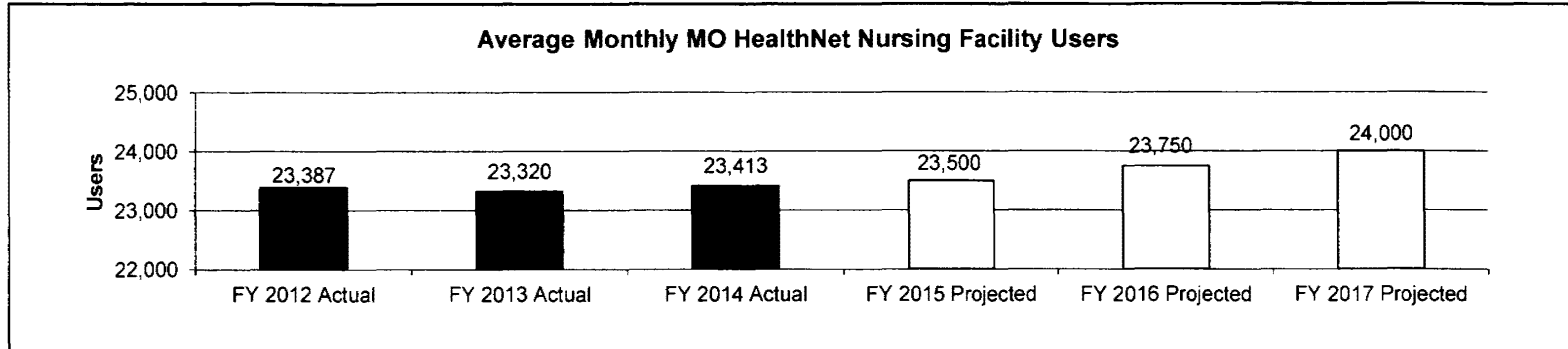
Target and encourage quality patient care through the nursing facility reimbursement methodology. In the past three state fiscal years, more than 50% of the average Medicaid reimbursement rate is related to patient care.



Ensure nursing facility costs included in determining MO HealthNet reimbursement are allowable by performing audits of the provider's cost reports. During the past three state fiscal years, an average of over \$3.10 of nursing facility costs per patient day were disallowed as a result of MHD audits.



**7c. Provide the number of clients/individuals served, if applicable.**



**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>HOME HEALTH</b>									
<b>CORE</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	2,160,383	0.00	2,863,153	0.00	2,863,153	0.00	1,885,442		0.00
TITLE XIX-FEDERAL AND OTHER	3,790,656	0.00	5,148,490	0.00	5,148,490	0.00	3,504,664		0.00
HEALTH INITIATIVES	123,205	0.00	159,305	0.00	159,305	0.00	159,305		0.00
TOTAL - PD	6,074,244	0.00	8,170,948	0.00	8,170,948	0.00	5,549,411		0.00
<b>TOTAL</b>	<b>6,074,244</b>	<b>0.00</b>	<b>8,170,948</b>	<b>0.00</b>	<b>8,170,948</b>	<b>0.00</b>	<b>5,549,411</b>		<b>0.00</b>
<b>FMAP ADJUSTMENT - 1886032</b>									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	25,599		0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	25,599		0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>25,599</b>		<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$6,074,244</b>	<b>0.00</b>	<b>\$8,170,948</b>	<b>0.00</b>	<b>\$8,170,948</b>	<b>0.00</b>	<b>\$5,575,010</b>		<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Home Health

Budget Unit: 90564C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	2,863,153	5,148,490	159,305	8,170,948
TRF				
Total	<b>2,863,153</b>	<b>5,148,490</b>	<b>159,305</b>	<b>8,170,948</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Health Initiatives Fund (HIF) (0275)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	1,885,442	3,504,664	159,305	5,549,411
TRF				
Total	<b>1,885,442</b>	<b>3,504,664</b>	<b>159,305</b>	<b>5,549,411</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds Health Initiatives Fund (HIF) (0275)

## 2. CORE DESCRIPTION

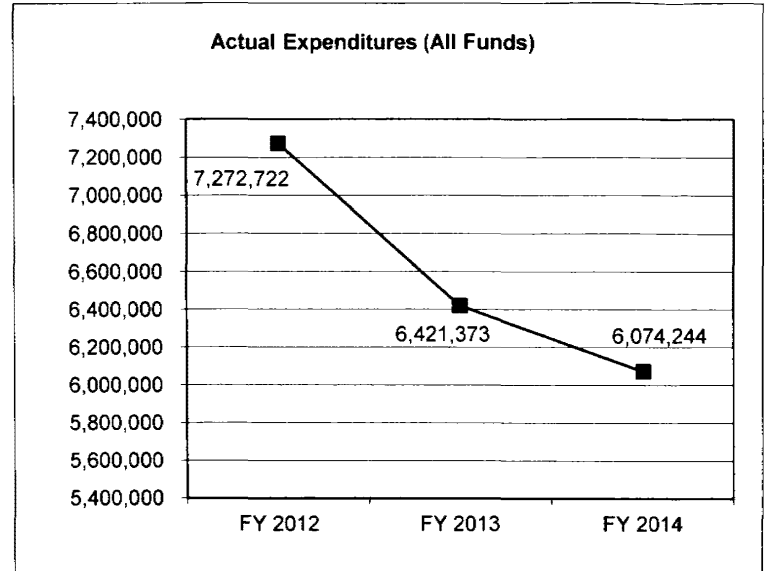
This core request is for on-going funding for payments for services provided through the Home Health program for the fee-for-service MO HealthNet population. This program is designed to help a MO HealthNet participant remain in their home instead of seeking institutional care. In those regions of the state where MO HealthNet Managed Care has been implemented, participants have Home Health services available through the MO HealthNet Managed Care health plans.

## 3. PROGRAM LISTING (list programs included in this core funding)

Home Health Services

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	7,369,496	7,369,496	6,463,900	8,170,948
Less Reverted (All Funds)	(4,779)	(4,779)	(4,779)	N/A
Budget Authority (All Funds)	7,364,717	7,364,717	6,459,121	N/A
Actual Expenditures (All Funds)	7,272,722	6,421,373	6,074,244	N/A
Unexpended (All Funds)	91,995	943,344	0	N/A
Unexpended, by Fund:				
General Revenue	36,960	0	145,320	N/A
Federal	43,484	943,344	208,236	N/A
Other	11,551	0	31,321	N/A
			(1)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) FY14 Agency Reserve of \$31,321 Other Funds

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**HOME HEALTH**

**5. CORE RECONCILIATION DETAIL**

			<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>									
			PD	0.00	2,863,153	5,148,490	159,305	8,170,948	
			<b>Total</b>	<b>0.00</b>	<b>2,863,153</b>	<b>5,148,490</b>	<b>159,305</b>	<b>8,170,948</b>	
<b>DEPARTMENT CORE REQUEST</b>									
			PD	0.00	2,863,153	5,148,490	159,305	8,170,948	
			<b>Total</b>	<b>0.00</b>	<b>2,863,153</b>	<b>5,148,490</b>	<b>159,305</b>	<b>8,170,948</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>									
Core Reduction	2039 1797		PD	0.00	(25,599)	0	0	(25,599)	
Core Reallocation	1999 1798		PD	0.00	0	(1,643,826)	0	(1,643,826)	
Core Reallocation	1999 1797		PD	0.00	(952,112)	0	0	(952,112)	
<b>NET GOVERNOR CHANGES</b>				<b>0.00</b>	<b>(977,711)</b>	<b>(1,643,826)</b>	<b>0</b>	<b>(2,621,537)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>									
			PD	0.00	1,885,442	3,504,664	159,305	5,549,411	
			<b>Total</b>	<b>0.00</b>	<b>1,885,442</b>	<b>3,504,664</b>	<b>159,305</b>	<b>5,549,411</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOME HEALTH</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	6,074,244	0.00	8,170,948	0.00	8,170,948	0.00	5,549,411	0.00
TOTAL - PD	6,074,244	0.00	8,170,948	0.00	8,170,948	0.00	5,549,411	0.00
<b>GRAND TOTAL</b>	<b>\$6,074,244</b>	<b>0.00</b>	<b>\$8,170,948</b>	<b>0.00</b>	<b>\$8,170,948</b>	<b>0.00</b>	<b>\$5,549,411</b>	<b>0.00</b>
GENERAL REVENUE	\$2,160,383	0.00	\$2,863,153	0.00	\$2,863,153	0.00	\$1,885,442	0.00
FEDERAL FUNDS	\$3,790,656	0.00	\$5,148,490	0.00	\$5,148,490	0.00	\$3,504,664	0.00
OTHER FUNDS	\$123,205	0.00	\$159,305	0.00	\$159,305	0.00	\$159,305	0.00



## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Home Health**

**Program is found in the following core budget(s): Home Health**

### **1. What does this program do?**

Home Health services provide primarily medically oriented treatment or supervision on an intermittent basis to individuals with an acute illness which can be therapeutically managed at home. Prior to October 1, 2010, individuals were required to be homebound to receive Home Health Program services. The homebound requirement was removed effective October 1, 2010. Home Health care follows a written plan of treatment established and reviewed every 60 days by a physician. Services included in the Home Health benefit are skilled nursing, home health aide, physical, occupational and speech therapies, and supplies. Effective September 1, 2005, only participants who are eligible under aid categories for children, pregnant women, or blind individuals are eligible for physical, occupational and speech therapy provided through Home Health. Therapy must be reasonable and necessary for restoration to an optimal level of functioning following an injury or illness.

Home Health services are reimbursed on a per visit basis. A visit is a personal contact for a period of time not to exceed three hours in a client's home. Payment for the visit is the lower of the provider's actual billed charge or the state MO HealthNet agency established capped amount. The current MO HealthNet cap is \$64.15. Home Health is a mandatory service added to the MO HealthNet program in July 1972. The program serves participants throughout the state.

#### **Rate Change History:**

07/01/05: \$1.97 rate increase to a cap rate of \$61.79

07/01/06: \$1.00 rate increase to a cap rate of \$62.79

07/01/07: \$0.48 rate increase to a cap rate of \$63.27

07/01/08: \$0.88 rate increase to a cap rate of \$64.15

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(24), 1905(a)(7) and 1915(c);

Federal Regulations: 42 CFR 440.170(f), 440.210, 440.130 and 440.180 and 460. Social Security Act Sections: 1894, 1905(a) and 1934

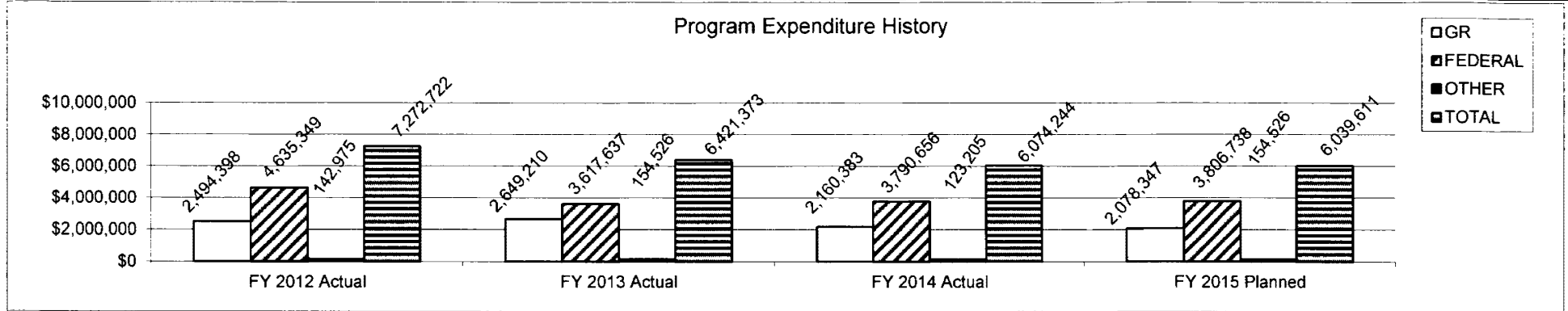
### **3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is blended 63.095% federal match. The state matching requirement is 36.905%.

### **4. Is this a federally mandated program? If yes, please explain.**

Home Health is a mandatory Medicaid program.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



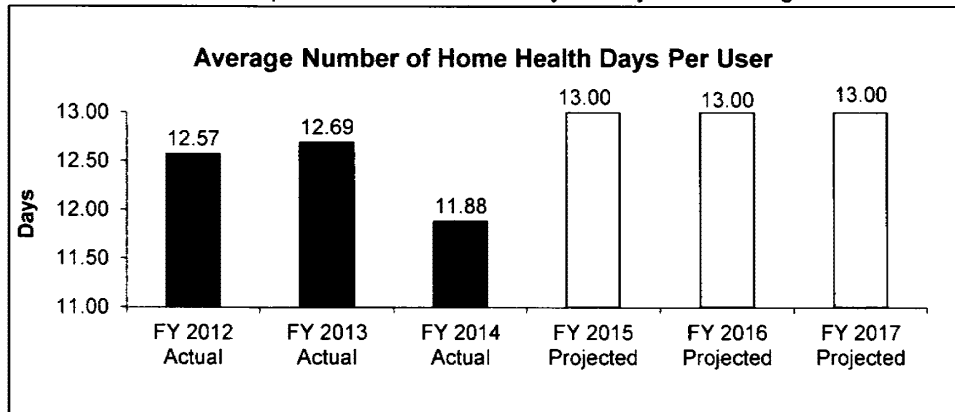
FY 2015 planned is net of reverted. Reverted: \$4,779 Other Funds. Restricted: \$784,806 GR and \$1,341,752 Federal Funds.

**6. What are the sources of the "Other" funds?**

Health Initiatives Fund (0275).

**7a. Provide an effectiveness measure.**

Home health plans are reviewed every 60 days. Providing health care at home is less costly than providing care in the hospital.



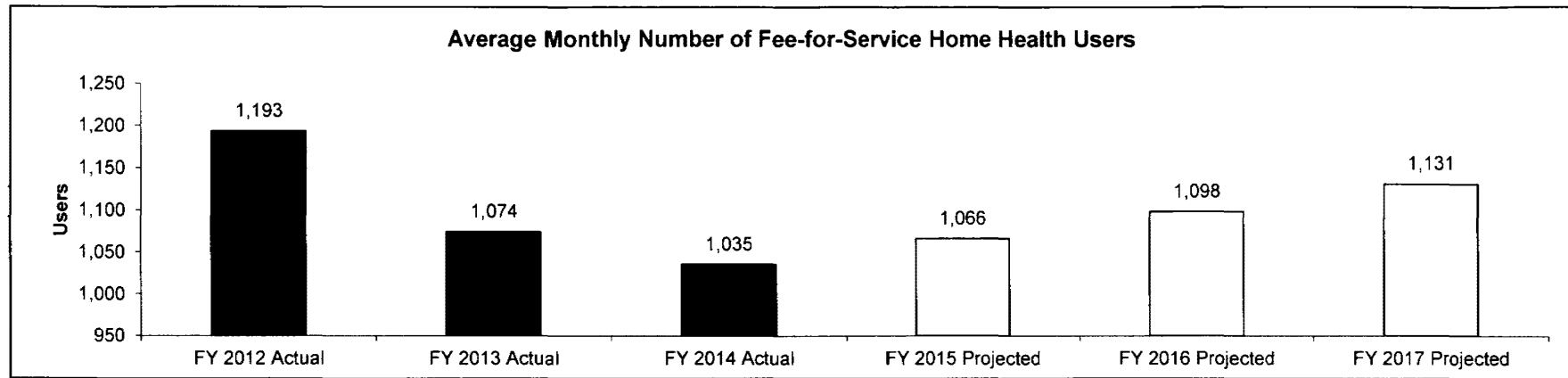
User Count by Number of Days					
FY	0-60	61-90	91-120	121+	Total
2012 Actual	6,610	58	22	27	6,717
2013 Actual	6,795	72	33	48	6,948
2014 Actual	6,425	59	24	24	6,532
2015 Projected	6,618	61	25	25	6,728
2016 Projected	6,816	63	26	26	6,931
2017 Projected	7,021	64	27	27	7,139

**7b. Provide an efficiency measure.**

N/A

**7c. Provide the number of clients/individuals served, if applicable.**

Home Health skilled nurse visits and home health aid services are available to all MO HealthNet population. Home health therapy services are limited to children and individuals in a category of assistance for the blind or pregnant.



**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>PACE</b>									
<b>CORE</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	2,545,837	0.00	2,531,934	0.00	2,531,934	0.00	2,548,384	0.00	
TITLE XIX-FEDERAL AND OTHER	4,129,886	0.00	4,416,247	0.00	4,416,247	0.00	4,399,797	0.00	
TOTAL - PD	6,675,723	0.00	6,948,181	0.00	6,948,181	0.00	6,948,181	0.00	
<b>TOTAL</b>	<b>6,675,723</b>	<b>0.00</b>	<b>6,948,181</b>	<b>0.00</b>	<b>6,948,181</b>	<b>0.00</b>	<b>6,948,181</b>	<b>0.00</b>	
<b>Medicaid CTC - 1886018</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	64,430	0.00	81,086	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	22,959	0.00	53,253	0.00	
TOTAL - PD	0	0.00	0	0.00	87,389	0.00	134,339	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>87,389</b>	<b>0.00</b>	<b>134,339</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$6,675,723</b>	<b>0.00</b>	<b>\$6,948,181</b>	<b>0.00</b>	<b>\$7,035,570</b>	<b>0.00</b>	<b>\$7,082,520</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Programs for All-Inclusive Care for the Elderly (PACE)

Budget Unit: 90568C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	2,531,934	4,416,247	0	6,948,181
TRF				
Total	<u>2,531,934</u>	<u>4,416,247</u>	<u>0</u>	<u>6,948,181</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	2,548,384	4,399,797		6,948,181
TRF				
Total	<u>2,548,384</u>	<u>4,399,797</u>	<u>0</u>	<u>6,948,181</u>
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

## 2. CORE DESCRIPTION

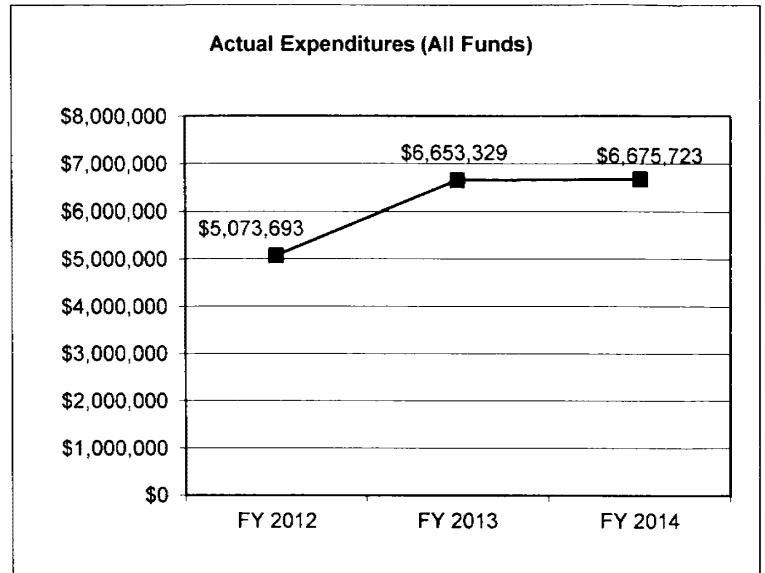
This core request is for on-going funding for payments for services provided through the PACE program. This program is designed to help a MO HealthNet participant remain in their home instead of seeking institutional care.

## 3. PROGRAM LISTING (list programs included in this core funding)

Programs for All-Inclusive Care for the Elderly (PACE)

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	5,073,693	6,875,723	6,675,723	6,948,181
Less Reverted (All Funds)	0	(200,000)	0	N/A
Budget Authority (All Funds)	5,073,693	6,675,723	6,675,723	N/A
Actual Expenditures (All Funds)	5,073,693	6,653,329	6,675,723	N/A
Unexpended (All Funds)	0	22,394	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	22,394	0	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) FY12 \$574,068 was paid out of the supplemental pool.

(2) FY13 Core Restriction of \$200,000. Funding increase for a \$750 per month rate increase.

(3) FY14 \$78,303 was paid out of the supplemental pool.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**PACE**

**5. CORE RECONCILIATION DETAIL**

			<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>									
			PD	0.00	2,531,934	4,416,247	0	6,948,181	
			<b>Total</b>	<b>0.00</b>	<b>2,531,934</b>	<b>4,416,247</b>	<b>0</b>	<b>6,948,181</b>	
<b>DEPARTMENT CORE REQUEST</b>									
			PD	0.00	2,531,934	4,416,247	0	6,948,181	
			<b>Total</b>	<b>0.00</b>	<b>2,531,934</b>	<b>4,416,247</b>	<b>0</b>	<b>6,948,181</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>									
Core Reallocation	2038 4423	PD	0.00		0	(16,450)	0	(16,450)	
Core Reallocation	2038 4422	PD	0.00		16,450	0	0	16,450	
<b>NET GOVERNOR CHANGES</b>				<b>0.00</b>	<b>16,450</b>	<b>(16,450)</b>	<b>0</b>	<b>0</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>									
			PD	0.00	2,548,384	4,399,797	0	6,948,181	
			<b>Total</b>	<b>0.00</b>	<b>2,548,384</b>	<b>4,399,797</b>	<b>0</b>	<b>6,948,181</b>	



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PACE								
CORE								
PROGRAM DISTRIBUTIONS	6,675,723	0.00	6,948,181	0.00	6,948,181	0.00	6,948,181	0.00
TOTAL - PD	6,675,723	0.00	6,948,181	0.00	6,948,181	0.00	6,948,181	0.00
GRAND TOTAL	\$6,675,723	0.00	\$6,948,181	0.00	\$6,948,181	0.00	\$6,948,181	0.00
GENERAL REVENUE	\$2,545,837	0.00	\$2,531,934	0.00	\$2,531,934	0.00	\$2,548,384	0.00
FEDERAL FUNDS	\$4,129,886	0.00	\$4,416,247	0.00	\$4,416,247	0.00	\$4,399,797	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Program of All Inclusive Care for the Elderly (PACE)**

**Program is found in the following core budget(s): PACE**

### **1. What does this program do?**

The goal is to maximize each participant's potential and continued residence in the home and community by providing preventive primary care and supports to the individual while in the home and community. The PACE program helps the participant stay as independent as possible. The PACE organization is the individual's sole source provider guaranteeing access to services, but not to a specific provider.

The PACE organization provides a full range of preventive, primary, acute, and long-term care services 24 hours per day, 7 days per week. The PACE Center is open Monday through Friday 8 AM to 5 PM to offer services on-site in an adult day health center setting. The PACE organization also provides in-home services as deemed necessary by the PACE Interdisciplinary Team (IDT). All medical services the individual requires while enrolled in the PACE program are the financial responsibility of the PACE provider.

PACE combines adult day settings, home care, interdisciplinary teams, transportation systems, and capitated payment systems so that providers can respond to the unique needs of each frail, elderly individual served.

The Missouri Department of Social Services, MO HealthNet Division, is the state administering agency for the PACE program.

To be eligible to enroll in the PACE program individuals must be at least 55 years old, live in the PACE service area, have been certified by the Missouri Department of Health and Senior Services to have met the nursing home level of care of 21 points or higher, and be recommended by the PACE staff for PACE program services as the best option for their care.

At the time of enrollment, an individual must be able to live in a community setting without jeopardizing his or her health or safety.

Enrollment in the PACE program is always voluntary and participants have the option to return to the fee-for-service system at any time. Eligibility to enroll in the PACE program is not restricted to Medicare beneficiaries or MO HealthNet participants. A potential PACE enrollee may, but is not required to be entitled to Medicare Part A, enrolled under Medicare Part B, or eligible for MO HealthNet.

Following are the prior year PACE Increases: FY 2010 No Increase; FY 2011 No Increase; FY 2012 \$750.00 per month per participant (effective January 1, 2012); FY 2013 No Increase; FY 2014 No Increase.

Attendance at the PACE center is determined by the interdisciplinary team and based on the needs and preferences of the participants. Some participants attend every day and some only 2-3 times per week. The PACE organization provides transportation to and from the PACE center each day the participant is scheduled to attend. Rates for PACE is either a Dual Rate of \$2,812 for Medicaid/Medicare participants or a MO HealthNet only rate of \$4,284. On average 82% of participants are at the dual rate.

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152 and 208.168; Federal Regulations: 42 CFR 460

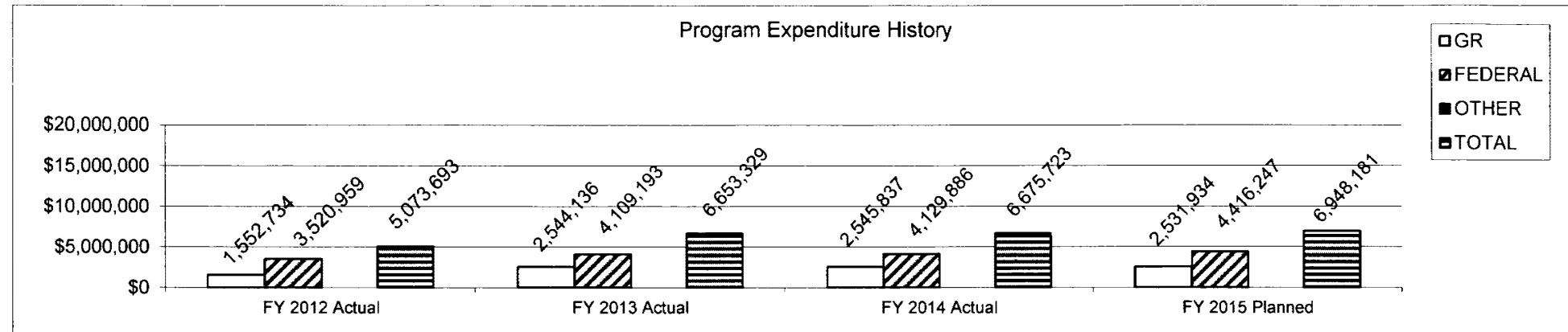
### **3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is blended 63.095% federal match. The state matching requirement is 36.905%

**4. Is this a federally mandated program? If yes, please explain.**

PACE is an optional program.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



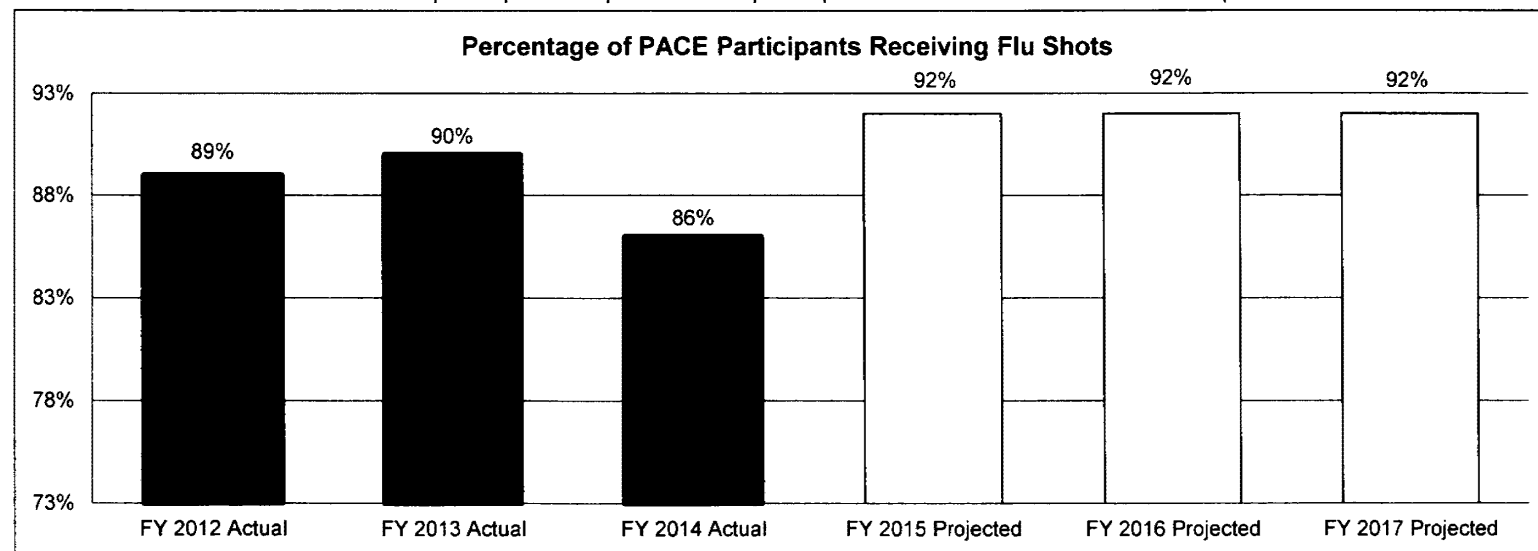
FY 2012 Actual does not reflect \$574,068 paid from supplemental pool.

**6. What are the sources of the "Other" funds?**

N/A

**7a. Provide an effectiveness measure.**

PACE offers flu shots to all of their participants to protect their participants from the flu and the serious problems it creates for the frail elderly.



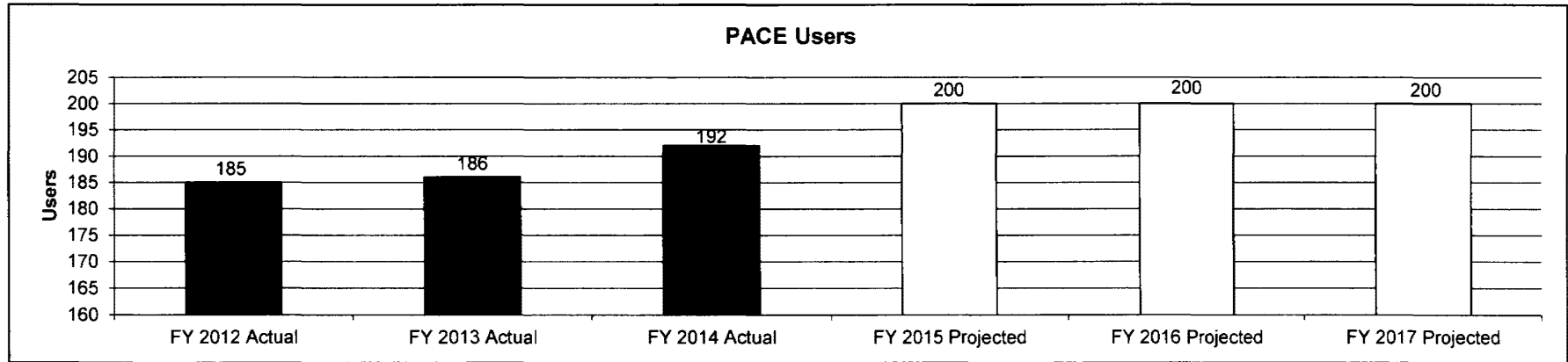
**7b. Provide an efficiency measure.**

The PACE program helps MO HealthNet participants remain in their homes instead of seeking institutional care under the fee-for-service program by helping them stay as independent as possible. While some PACE participants need to move into a Nursing Home, the participants remain enrolled in PACE, and the PACE provider is responsible for all services provided to these participants. A significant portion of PACE participants continue to live at home and receive services under the PACE program.

PACE Participants				
SFY	Users	Reside in NF	Reside in Their Home	% Reside in Home
FY 2012 Actual	185	20	165	89%
FY 2013 Actual	186	17	169	91%
FY 2014 Actual	192	18	174	91%
FY 2015 Projected	200	25	175	88%
FY 2016 Projected	200	25	175	88%
FY 2017 Projected	200	25	175	88%

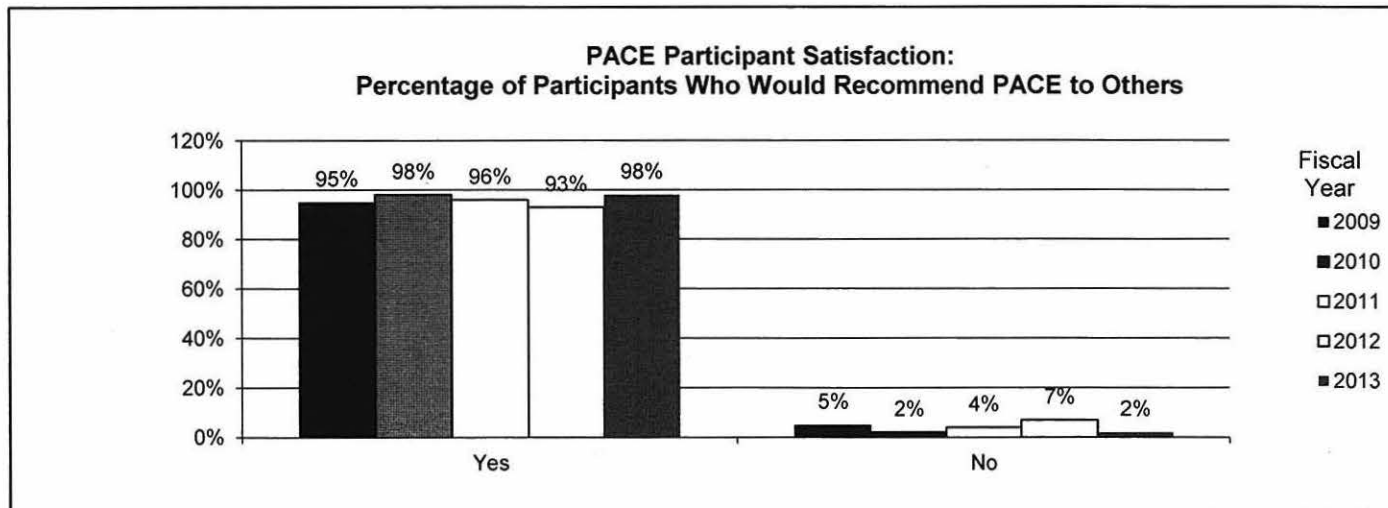
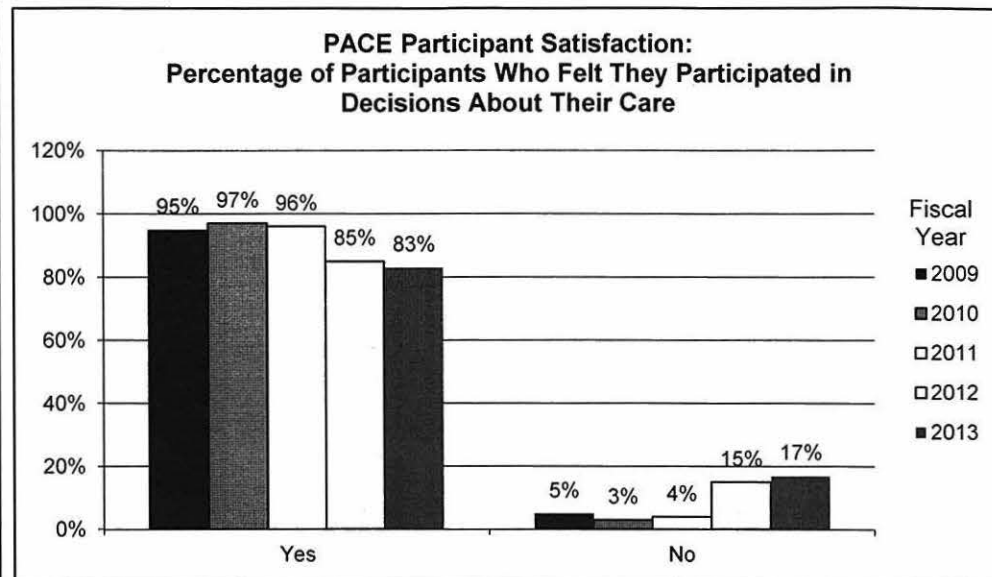
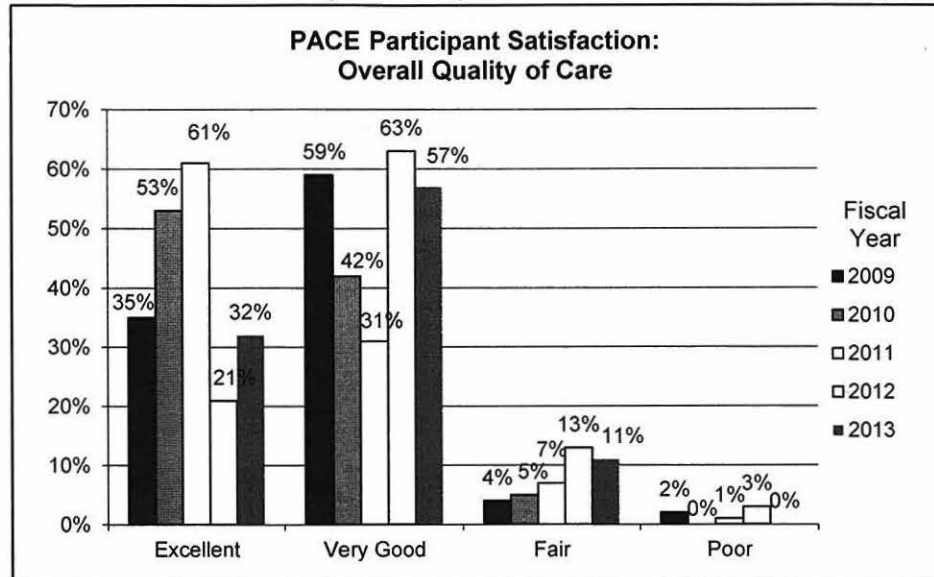
**7c. Provide the number of clients/individuals served, if applicable.**

Users include dual participants, MO HealthNet participants and Medicare-only participants.



**7d. Provide a customer satisfaction measure, if available.**

Alexian Brothers Community Services performs annual Participant Satisfaction Surveys.



**Long Term Support UPL  
Transfer**

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>LONG TERM SUPPORT UPL TRANSFER</b>								
<b>CORE</b>								
<b>FUND TRANSFERS</b>								
LONG-TERM SUPPORT UPL	0	0.00	10,990,982	0.00	10,990,982	0.00	10,990,982	0.00
TOTAL - TRF	0	0.00	10,990,982	0.00	10,990,982	0.00	10,990,982	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>10,990,982</b>	<b>0.00</b>	<b>10,990,982</b>	<b>0.00</b>	<b>10,990,982</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$10,990,982</b>	<b>0.00</b>	<b>\$10,990,982</b>	<b>0.00</b>	<b>\$10,990,982</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Long Term Support UPL Transfer

Budget Unit 90545C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			10,990,982	10,990,982
Total	0	0	10,990,982	10,990,982
FTE	0.00	0.00	0.00	0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Long Term Support UPL (0724)

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			10,990,982	10,990,982
Total	0	0	10,990,982	10,990,982
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Long Term Support UPL (0724)

## 2. CORE DESCRIPTION

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. These transfers allow the state to draw federal match for nursing facility provided by public entities.

## 3. PROGRAM LISTING (list programs included in this core funding)

Long Term Support UPL

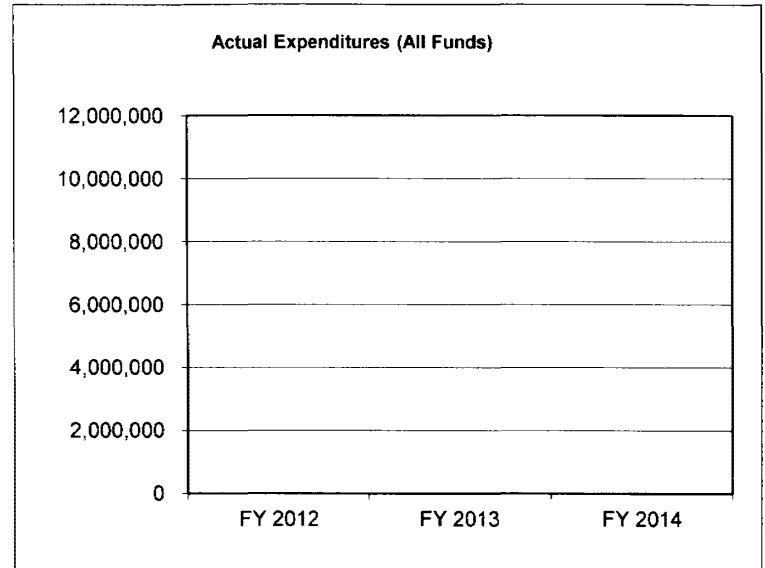


# **CORE DECISION ITEM**

**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** Long Term Support UPL Transfer

## **4. FINANCIAL HISTORY**

	<b>FY 2012 Actual</b>	<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Current Yr.</b>
Appropriation (All Funds)	0	10,990,982	10,990,982	10,990,982
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	10,990,982	10,990,982	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	10,990,982	10,990,982	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	10,990,982	10,990,982	N/A
		<b>(1)</b>	<b>(2)</b>	



## **NOTES:**

- (1)** Transfer not utilized in FY13.  
**(2)** Transfer not utilized in FY14.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES**

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**LONG TERM SUPPORT UPL TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	TRF	0.00	0	0	10,990,982	10,990,982	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>10,990,982</b>	<b>10,990,982</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	TRF	0.00	0	0	10,990,982	10,990,982	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>10,990,982</b>	<b>10,990,982</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	TRF	0.00	0	0	10,990,982	10,990,982	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>10,990,982</b>	<b>10,990,982</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
LONG TERM SUPPORT UPL TRANSFER								
CORE								
TRANSFERS OUT	0	0.00	10,990,982	0.00	10,990,982	0.00	10,990,982	0.00
TOTAL - TRF	0	0.00	10,990,982	0.00	10,990,982	0.00	10,990,982	0.00
GRAND TOTAL	\$0	0.00	\$10,990,982	0.00	\$10,990,982	0.00	\$10,990,982	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$10,990,982	0.00	\$10,990,982	0.00	\$10,990,982	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Long Term Support UPL Transfer

Program is found in the following core budget(s): Long Term Support UPL Transfer

**1. What does this program do?**

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. This funding maximizes eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

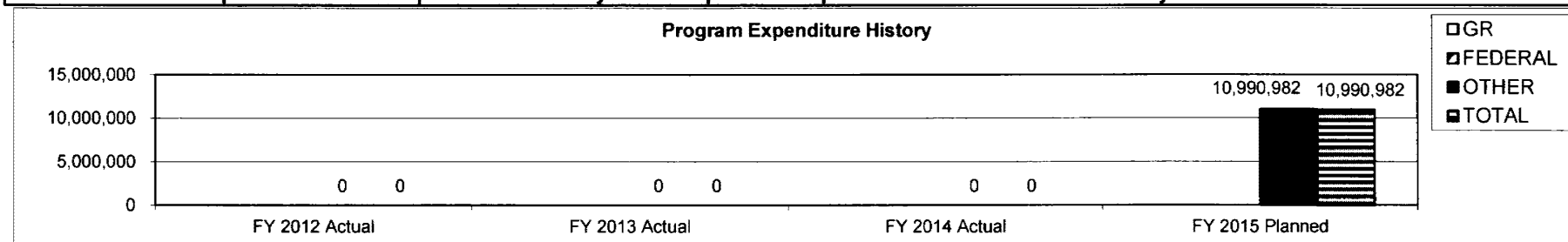
**3. Are there federal matching requirements? If yes, please explain.**

No.

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

Long Term Support UPL (0724)

**7a. Provide an effectiveness measure.**

These transfers allow the state to draw federal match for nursing facility provided by public entities. Measures for nursing facility services are included in the nursing facility section.

**7b. Provide an efficiency measure.**

These transfers allow the state to draw federal match for nursing facility provided by public entities. Measures for nursing facility services are included in the nursing facility section.

**7c. Provide the number of clients/individuals served, if applicable.**

These transfers allow the state to draw federal match for nursing facility provided by public entities. Measures for nursing facility services are included in the nursing facility section.

**7d. Provide a customer satisfaction measure, if available.**

These transfers allow the state to draw federal match for nursing facility provided by public entities. Measures for nursing facility services are included in the nursing facility section.



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>LONG TERM SUPPORT PAYMENTS</b>									
<b>CORE</b>									
<b>PROGRAM-SPECIFIC</b>									
TITLE XIX-FEDERAL AND OTHER	961,594	0.00	28,393,011	0.00	28,393,011	0.00	28,393,011	0.00	0.00
LONG-TERM SUPPORT UPL	588,614	0.00	17,502,101	0.00	17,502,101	0.00	17,502,101	0.00	0.00
TOTAL - PD	1,550,208	0.00	45,895,112	0.00	45,895,112	0.00	45,895,112	0.00	0.00
<b>TOTAL</b>	<b>1,550,208</b>	<b>0.00</b>	<b>45,895,112</b>	<b>0.00</b>	<b>45,895,112</b>	<b>0.00</b>	<b>45,895,112</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$1,550,208</b>	<b>0.00</b>	<b>\$45,895,112</b>	<b>0.00</b>	<b>\$45,895,112</b>	<b>0.00</b>	<b>\$45,895,112</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Long Term Support Payments

Budget Unit: 90548C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	0	28,393,011	17,502,101	45,895,112
TRF				
Total	0	28,393,011	17,502,101	45,895,112
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Long Term Support UPL (0724)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	28,393,011	17,502,101		45,895,112
TRF				
Total	28,393,011	17,502,101	0	45,895,112
FTE				

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Long Term Support UPL (0724)

## 2. CORE DESCRIPTION

For the purpose of paying publicly funded long-term care services and support contracts and funding supplemental payments for care in nursing facilities or other long term care services under the nursing facility upper payment limit.

## 3. PROGRAM LISTING (list programs included in this core funding)

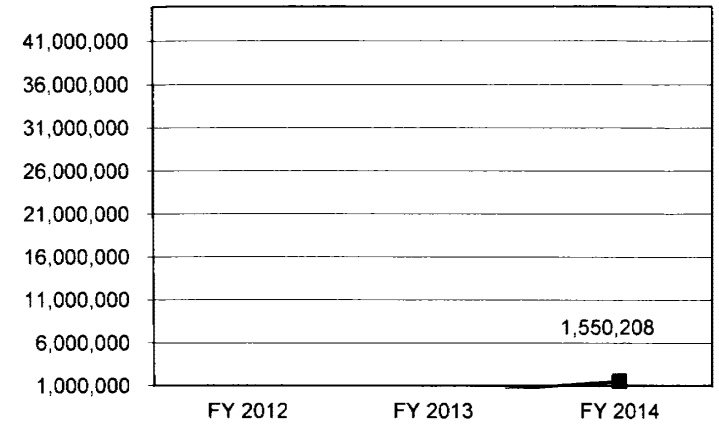
Long Term Support Payments

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	0	45,895,112	45,895,112	45,895,112
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	45,895,112	45,895,112	N/A
Actual Expenditures (All Funds)	0	0	1,550,208	N/A
Unexpended (All Funds)	0	45,895,112	44,344,904	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	28,393,011	27,431,417	N/A
Other	0	17,502,101	16,913,487	N/A

(1)

Actual Expenditures (All Funds)



#### NOTES:

(1) FY13 Program was added



**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**LONG TERM SUPPORT PAYMENTS**

**5. CORE RECONCILIATION DETAIL**

	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	PD	0.00	0	28,393,011	17,502,101	45,895,112	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>28,393,011</b>	<b>17,502,101</b>	<b>45,895,112</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	PD	0.00	0	28,393,011	17,502,101	45,895,112	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>28,393,011</b>	<b>17,502,101</b>	<b>45,895,112</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	PD	0.00	0	28,393,011	17,502,101	45,895,112	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>28,393,011</b>	<b>17,502,101</b>	<b>45,895,112</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
LONG TERM SUPPORT PAYMENTS								
CORE								
PROGRAM DISTRIBUTIONS	1,550,208	0.00	45,895,112	0.00	45,895,112	0.00	45,895,112	0.00
TOTAL - PD	1,550,208	0.00	45,895,112	0.00	45,895,112	0.00	45,895,112	0.00
GRAND TOTAL	\$1,550,208	0.00	\$45,895,112	0.00	\$45,895,112	0.00	\$45,895,112	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$961,594	0.00	\$28,393,011	0.00	\$28,393,011	0.00	\$28,393,011	0.00
OTHER FUNDS	\$588,614	0.00	\$17,502,101	0.00	\$17,502,101	0.00	\$17,502,101	0.00

## PROGRAM DESCRIPTION

**Department:** Social Services

**Program Name:** Long Term Support Payments

**Program is found in the following core budget(s):** Long Term Support Payments

**1. What does this program do?**

Establishing a partnership between privately owned long-term care facilities, and publicly operated long-term care related services, such as county nursing homes, allows Missouri to generate new federal revenue by having private nursing homes assume financial responsibility for publicly funded long term care services and supports. This shift in financial responsibility frees up public funding that can be used to access additional federal matching funds. The new dollars can be used to offset general revenue, increase reimbursement to providers of long term care and supports, as well as assist local governments to develop and maintain its long-term service delivery system.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: Federal Regulations: 42 CFR, 447.272

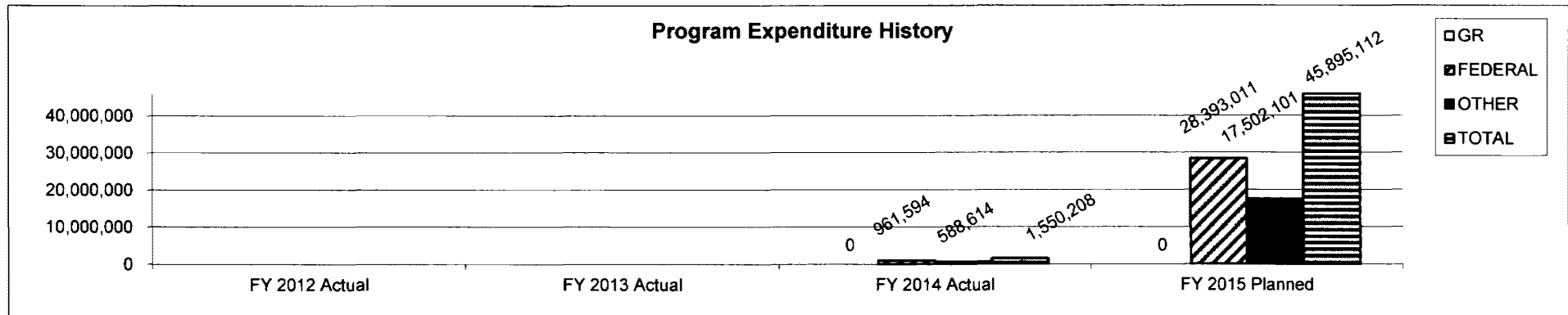
**3. Are there federal matching requirements? If yes, please explain.**

There will be federal matching requirements for allowable medicaid expenses.

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



New program in FY 2013.

**6. What are the sources of the "Other " funds?**

Long Term Support UPL Fund (0724)

**7a. Provide an effectiveness measure.**

N/A

**7b. Provide an efficiency measure.**

N/A

**7c. Provide the number of clients/individuals served, if applicable.**

N/A

**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>REHAB AND SPECIALTY SERVICES</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	601,491	0.00	872,000	0.00	872,000	0.00	872,000	0.00	
TITLE XIX-FEDERAL AND OTHER	28,158	0.00	844,000	0.00	844,000	0.00	844,000	0.00	
AMBULANCE SERVICE REIMB ALLOW	250,000	0.00	0	0.00	0	0.00	0	0.00	
TOTAL - EE	879,649	0.00	1,716,000	0.00	1,716,000	0.00	1,716,000	0.00	
PROGRAM-SPECIFIC									
GENERAL REVENUE	86,052,639	0.00	80,840,515	0.00	80,840,515	0.00	80,565,364	0.00	
TITLE XIX-FEDERAL AND OTHER	143,682,322	0.00	177,640,040	0.00	177,640,040	0.00	179,341,662	0.00	
NURSING FACILITY FED REIM ALLW	1,414,043	0.00	1,414,043	0.00	1,414,043	0.00	1,414,043	0.00	
HEALTH INITIATIVES	109,804	0.00	194,881	0.00	194,881	0.00	194,881	0.00	
HEALTHY FAMILIES TRUST	336,647	0.00	831,745	0.00	831,745	0.00	831,745	0.00	
AMBULANCE SERVICE REIMB ALLOW	17,238,292	0.00	21,522,747	0.00	21,522,747	0.00	21,522,747	0.00	
TOTAL - PD	248,833,747	0.00	282,443,971	0.00	282,443,971	0.00	283,870,442	0.00	
<b>TOTAL</b>	<b>249,713,396</b>	<b>0.00</b>	<b>284,159,971</b>	<b>0.00</b>	<b>284,159,971</b>	<b>0.00</b>	<b>285,586,442</b>	<b>0.00</b>	
<b>Medicaid CTC - 1886018</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	5,076,688	0.00	783,019	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	5,268,596	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	10,345,284	0.00	783,019	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>10,345,284</b>	<b>0.00</b>	<b>783,019</b>	<b>0.00</b>	
<b>Hospice Rate Increase - 1886009</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	113,357	0.00	113,751	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	196,785	0.00	196,391	0.00	
TOTAL - PD	0	0.00	0	0.00	310,142	0.00	310,142	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>310,142</b>	<b>0.00</b>	<b>310,142</b>	<b>0.00</b>	

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## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
<b>FMAP ADJUSTMENT - 1886032</b>								
<b>PROGRAM-SPECIFIC</b>								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	1,260,739	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,260,739	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,260,739</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$249,713,396</b>	<b>0.00</b>	<b>\$284,159,971</b>	<b>0.00</b>	<b>\$294,815,397</b>	<b>0.00</b>	<b>\$287,940,342</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Rehab and Specialty Services

Budget Unit: 90550C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE	872,000	844,000		1,716,000
PSD	80,840,515	177,640,040	23,963,416	282,443,971
TRF				
Total	<b>81,712,515</b>	<b>178,484,040</b>	<b>23,963,416</b>	<b>284,159,971</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Healthy Families Trust Fund (0625)  
Health Initiatives Fund (HIF) (0275)  
Nursing Facility Federal Reimbrsmnt Allwnce (NFFRA) (0196)  
Ambulance Service Reimbursement Allowance (0958)

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	872,000	844,000		1,716,000
PSD	80,565,364	179,341,662	23,963,416	283,870,442
TRF				
Total	<b>81,437,364</b>	<b>180,185,662</b>	<b>23,963,416</b>	<b>285,586,442</b>
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Healthy Families Trust Fund (0625)  
Health Initiatives Fund (HIF) (0275)  
Nursing Facility Federal Reimbrsmnt Allwnce (NFFRA) (0196)  
Ambulance Service Reimbursement Allowance (0958)

## 2. CORE DESCRIPTION

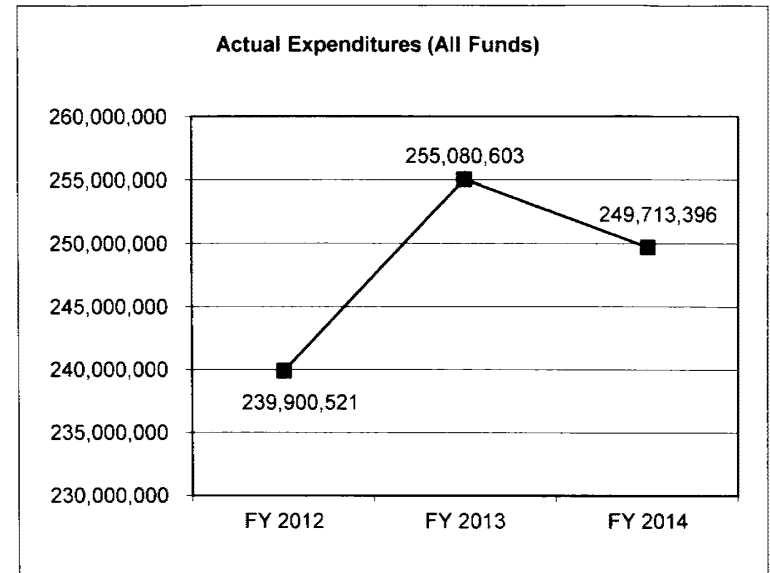
Funding provides Rehabilitation and Specialty services for the fee-for-service MO HealthNet population. The services funded from this core include: audiology/hearing aid; optical; durable medical equipment (DME); ambulance; rehabilitation center; hospice; diabetes self-management training; and comprehensive day rehabilitation. In those regions of the state where MO HealthNet Managed Care has been implemented, participants have Rehab and Specialty services available through the MO HealthNet Managed Care health plans.

## 3. PROGRAM LISTING (list programs included in this core funding)

Rehabilitation and Specialty Services

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	257,635,673	264,930,614	270,710,479	284,159,971
Less Reverted (All Funds)	(5,846)	(5,846)	(5,846)	N/A
Budget Authority (All Funds)	257,629,827	264,924,768	270,704,633	N/A
Actual Expenditures (All Funds)	239,900,521	255,080,603	249,713,396	N/A
Unexpended (All Funds)	17,729,306	9,844,165	20,991,237	N/A
Unexpended, by Fund:				
General Revenue	14,663	0	37,187	N/A
Federal	14,400,062	9,844,165	19,354,534	N/A
Other	3,314,581	0	1,104,418	N/A
	(1)	(2)	(3)	(4)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY12 Agency reserve of \$2,966,830 from Ambulance Service Reimbursement Allowance. Expenditures of \$377,280 were paid from the Supplemental Pool.

(2) FY13 Estimated "E" appropriation for Ambulance Service Reimbursement Allowance removed in FY 2013. Supplemental increase of \$6,820,250 for Ambulance Service Reimbursement Allowance.

(3) FY14 Agency reserve of \$17,342,559 Federal; \$574,328 Other Funds.

(4) FY15 \$12,780,114 (\$4,762,424 GR; \$8,017,690 Federal) was transferred to a new section Complex Rehabilitation.



#### 4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	Rehab & Specialty PMPM	Acute Care PMPM	Total PMPM	Rehab & Specialty Percentage of Acute	Rehab & Specialty Percentage of Total
PTD	\$60.38	\$1,031.29	\$1,860.84	5.85%	3.24%
Seniors	\$101.19	\$363.32	\$1,541.27	27.85%	6.57%
Custodial Parents	\$5.03	\$468.91	\$495.28	1.07%	1.02%
Children*	\$3.00	\$276.10	\$307.93	1.09%	0.97%
Pregnant Women	\$5.90	\$596.36	\$609.11	0.99%	0.97%

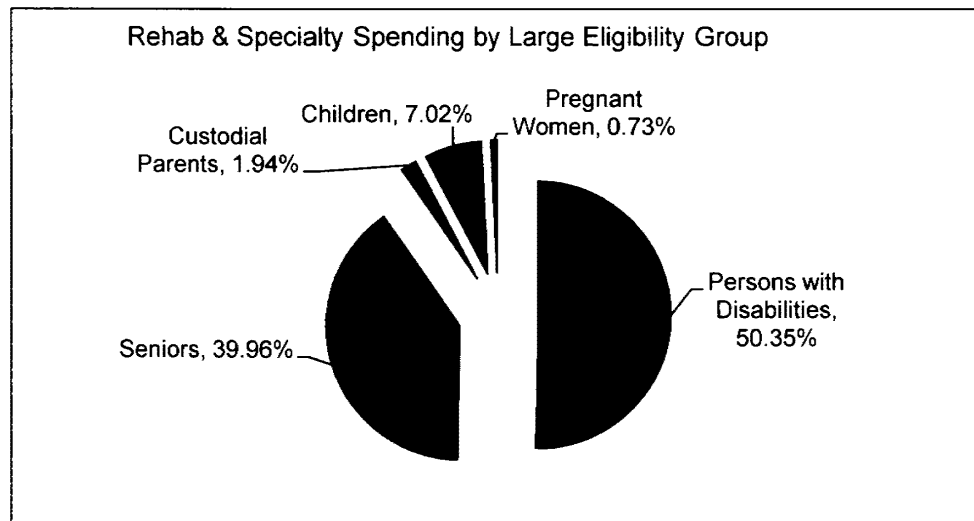
Source: Table 23 Medical Statistics for FY 14. (Paid Claims Data)

\* CHIP eligibles not included

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet (MHD) management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.



Source: Table 23 Medical Statistics for FY 14. (Paid Claims Data)

The PMPM table reflects the PMPM amounts for rehab services, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the rehab and specialty PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for rehab and specialty services. It provides a snapshot of what eligibility groups are receiving the services, as well as the populations impacted by program changes.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**REHAB AND SPECIALTY SERVICES**

**5. CORE RECONCILIATION DETAIL**

		<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>								
		EE	0.00	872,000	844,000	0	1,716,000	
		PD	0.00	80,840,515	177,640,040	23,963,416	282,443,971	
		<b>Total</b>	<b>0.00</b>	<b>81,712,515</b>	<b>178,484,040</b>	<b>23,963,416</b>	<b>284,159,971</b>	
<b>DEPARTMENT CORE REQUEST</b>								
		EE	0.00	872,000	844,000	0	1,716,000	
		PD	0.00	80,840,515	177,640,040	23,963,416	282,443,971	
		<b>Total</b>	<b>0.00</b>	<b>81,712,515</b>	<b>178,484,040</b>	<b>23,963,416</b>	<b>284,159,971</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reduction	2041 8204	PD	0.00	(1,260,739)	0	0	(1,260,739)	
Core Reallocation	2002 8205	PD	0.00	0	1,701,622	0	1,701,622	
Core Reallocation	2002 8204	PD	0.00	985,588	0	0	985,588	
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>(275,151)</b>	<b>1,701,622</b>	<b>0</b>	<b>1,426,471</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		EE	0.00	872,000	844,000	0	1,716,000	
		PD	0.00	80,565,364	179,341,662	23,963,416	283,870,442	
		<b>Total</b>	<b>0.00</b>	<b>81,437,364</b>	<b>180,185,662</b>	<b>23,963,416</b>	<b>285,586,442</b>	

**DECISION ITEM DETAIL**

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	879,649	0.00	1,716,000	0.00	1,716,000	0.00	1,716,000	0.00
TOTAL - EE	879,649	0.00	1,716,000	0.00	1,716,000	0.00	1,716,000	0.00
PROGRAM DISTRIBUTIONS	248,833,747	0.00	282,443,971	0.00	282,443,971	0.00	283,870,442	0.00
TOTAL - PD	248,833,747	0.00	282,443,971	0.00	282,443,971	0.00	283,870,442	0.00
<b>GRAND TOTAL</b>	<b>\$249,713,396</b>	<b>0.00</b>	<b>\$284,159,971</b>	<b>0.00</b>	<b>\$284,159,971</b>	<b>0.00</b>	<b>\$285,586,442</b>	<b>0.00</b>
GENERAL REVENUE	\$86,654,130	0.00	\$81,712,515	0.00	\$81,712,515	0.00	\$81,437,364	0.00
FEDERAL FUNDS	\$143,710,480	0.00	\$178,484,040	0.00	\$178,484,040	0.00	\$180,185,662	0.00
OTHER FUNDS	\$19,348,786	0.00	\$23,963,416	0.00	\$23,963,416	0.00	\$23,963,416	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Rehab and Specialty Services**

**Program is found in the following core budget(s): Rehab and Specialty Services**

### 1. What does this program do?

Provides payment for audiology, optometric, durable medical equipment, ambulance, rehabilitation centers, hospice, comprehensive day rehabilitation and diabetes self-management training for MO HealthNet participants. Unless otherwise noted, the rehabilitation and specialty services are covered only for participants who are under the age of 21, pregnant women, blind persons, or nursing facility residents.

**Audiology/Hearing Aid** - This program is intended only to provide hearing aids and related covered services. Prior to August 28, 2005, all MO HealthNet participants were eligible for Hearing Aid Program Benefits. Effective August 28, 2005, persons eligible for reimbursement of the MO HealthNet Hearing Aid Program services include eligible needy children or persons receiving MO HealthNet benefits under a category of assistance for pregnant women, the blind or nursing facility residents. Covered services include: audiological testing, hearing aids, ear molds, hearing aid fitting, hearing aid dispensing/evaluation, post-fitting evaluation, post-fitting adjustments, and hearing aid repairs. All hearing aids and related services must have prior approval except audiometric testing, post-fitting evaluation, post-fitting adjustment, and repairs to hearing aids no longer under warranty. An audiologist consultant gives prior authorization for the claims.

A participant is entitled to one new hearing aid and related services every four years. However, services for children under the EPSDT/HCY program are determined to be whatever is medically necessary. The EPSDT claims are reviewed by the consultant only if rejected by the computer system. Copay is a charge for a small portion of the cost of services and applies to individuals age 19 and over with a few exceptions (foster care children and institutional residents).

**Optical** - The MO HealthNet Optical Program covers the following types of providers and services: (1) Optometrists - eye examinations, eyeglasses, artificial eyes, and special ophthalmological services; (2) Physicians - eyeglasses, artificial eyes (physician must be enrolled in the Optical program in order to bill for these services); and (3) Opticians - eyeglasses and artificial eyes.

As of June 15, 2009, the MO HealthNet Division (MHD) requires pre-certification for optical services provided to MO HealthNet fee-for-service participants through MHD's web tool, CyberAccess<sup>SM</sup>.

Participants who are age 20 and under or are pregnant, blind, or in a nursing facility are eligible for an eye exam every twelve months. MO HealthNet participants age 21 and over are eligible for an eye exam every twenty-four months. Participants may be eligible for eye exams within the stated time periods if the participant has a .50 diopter change in one or both eyes. MO HealthNet eligible participants are allowed one pair of complete eye glasses every two years. Participants that have a .50 diopter change within the stated time periods may be eligible to receive a new lens. Copay (a charge for a small portion of the cost of the service) applies to individuals age 19 and over with the exceptions of foster care children and institutional residents. An optometrist is used as a consultant for this program. The consultant reviews prescriptions that do not meet the program criteria.

Prior to August 28, 2005, all participants, children and adults, were eligible for an eye exam every twelve months and frames and lenses every twenty-four months. Effective August 28, 2005, coverage of frames and lenses for adults (except those in a category of assistance for the blind or pregnant or those residing in a nursing home) was eliminated, and coverage of eye exams were decreased to once every twenty-four months. Services related to trauma or treatment of disease/medical conditions remained covered. Effective July 1, 2006, coverage of frames and lenses was reinstated for adults.

**Rate Change History:**

07/03/08: \$10.00 rate increase to eight exam codes

**Durable Medical Equipment (DME)** - MO HealthNet reimburses qualified participating DME providers for certain items of durable medical equipment such as: prosthetics; oxygen and respiratory care equipment; ostomy supplies; wheelchairs; wheelchair accessories; labor and repair codes. These items must be for use in the participant's home when ordered in writing by the participant's physician or nurse practitioner.

The following items are covered for MO HealthNet participants: apnea monitors; artificial larynx and related items; augmentative communications devices; canes; crutches; commodes; bed pans; adult incontinence briefs; urinals; CPAP devices; decubitus care equipment; hospital beds; side rails; humidifiers; BiPAP machines; IPPB machines; insulin pumps and supplies; labor and repair codes; nebulizers; orthotics; ostomy supplies; oxygen and respiratory equipment; patient lifts and trapeze; prosthetics; scooters; suction pumps; total parenteral nutrition mix; supplies and equipment; wheelchairs; wheelchair accessories and walkers. Although an item is classified as DME, it may not be covered in every instance. Coverage is based on the fact that the item is reasonable and necessary for treatment of an illness or injury, or to improve the functioning of a malformed or permanently inoperative body part, the equipment meets the definition of durable medical equipment or prosthesis, and the equipment is used in the participant's home.

Even though a DME item may serve some useful medical purpose, consideration must be given by the physician and the DME supplier to what extent, if any, it is reasonable for MO HealthNet to pay for the item as opposed to another realistically feasible alternative pattern of care. Consideration should also be given by the physician and the DME provider as to whether the item serves essentially the same purpose as equipment already available to the participant. If two different items each meet the need of the participant, the less expensive item must be employed, all other conditions being equal. Equipment features of an aesthetic or medical nature which are not medically necessary are not reimbursable.

Effective August 28, 2005, coverage of the following items was eliminated for adults except for those in a category of assistance for the blind or pregnant and those residing in a nursing home: apnea monitors; artificial larynx and related items; augmentative communication devices; canes and crutches; commodes, bed pans and urinals; CPAP devices; decubitus care equipment; hospital beds and side rails; humidifiers; respiratory assist devices; IPPB machines; nebulizers; orthotics; patient lifts and trapeze; scooters; suction pumps; total parenteral nutrition mix, supplies and equipment; walkers; wheelchair accessories, labor and repair codes. On July 1, 2006 coverage of wheelchair accessories, labor and supplies was reinstated for adults. Effective March 2, 2007 coverage for adults for all other items eliminated August 28, 2005 was reinstated.

**Rate Change History:**

04/15/10: Decrease rates to 100% of the 01/01/09 Medicare fee schedule; manually priced wheelchairs and accessories decreased to 80% of MSRP for manual and custom wheelchairs and 85% of MSRP for power wheelchairs; revised requirements for eligibility for nursing home wheelchairs to decrease costs

08/12/10: Decrease rates for all services except complex rehab item to 96.5% of the 01/01/10 Medicare fee schedule; oxygen reimbursement methodology revised to increase reimbursement of portable systems and decrease reimbursement of stationary systems

**Ambulance** - Emergency medical transportation is provided under the ambulance program. Ambulance services are covered if they are emergency services and transportation is made to the nearest appropriate hospital. Certain specified non-emergency but medically necessary ambulance transports are also covered. Reimbursement is provided for the base charge (the lesser of the MO HealthNet maximum allowed amount or billed charge) for patient pick-up and transportation to destination mileage, and ancillary services related to emergency situations. Ambulance services can be provided through ground or air transportation (helicopter/fixed wing) if medically necessary. All MO HealthNet participants are eligible for ambulance services.

**Rehabilitation Center** - The rehabilitation center program pays for adaptive training of MO HealthNet participants who have prosthetic/orthotic devices. Covered services include: comprehensive evaluation; stump conditioning; prosthetic training, and orthotic training; speech therapy for artificial larynx; and occupational therapy related to the prosthetic/orthotic adaption. These procedures are covered by MO HealthNet even when the prosthetic/orthotic service was not provided through the MO HealthNet program. Since August 28, 2005 these services are covered only for children under the age of 21 and adults in a category of assistance for the blind or pregnant and for adults residing in a skilled nursing facility.

In addition to adaptive training services, medically necessary physical, occupational and speech therapy services are covered for children under the age of 21 through the Rehabilitation Center Program.

Evaluation and training for an augmentative communication device is covered through the Rehabilitation Center Program. Augmentative communication devices and accessories are covered through the Durable Medical Equipment Program.

Hospice - The hospice benefit is designed to meet the needs of patients with a life-limiting illness and to help their families cope with the problems and feelings related to this difficult time. Reimbursement is limited to qualified MO HealthNet enrolled hospice providers rendering services to terminally ill patients who have elected hospice benefits. After the participant elects hospice services, the hospice provides for all care, supplies, equipment, and medicines related to the terminal illness. MO HealthNet reimburses the hospice provider who then reimburses the provider of the services if the services are not provided by the hospice provider. However, hospice services for a child (ages 0-20) may be concurrent with the care related to the curative treatment of the child's condition for which a diagnosis of a terminal illness has been made.

MO HealthNet reimburses for routine home care, continuous home care, general inpatient, inpatient respite, and nursing home room and board, if necessary. Hospice rates are authorized by Section 1814 (l)(1)(C)(ii) of the Social Security Act and provide for an annual increase in the payment rates for hospice care services. The MO HealthNet rates are calculated based on the annual hospice rates established by Medicare. In addition, the Social Security Act also provides for an annual increase in the hospice cap amounts. Nursing home room and board is reimbursed to the hospice provider at 95% of the nursing home rate on file. The hospice is responsible for paying the nursing home. All MO HealthNet participants are eligible for hospice services.

The Hospice program has a rate change every year. The Medicaid hospice payment rates are calculated based on the annual hospice rates established under Medicare. These rates are authorized by section 1814(i)(1)(C)(ii) of the Social Security Act (the Act) which also provides for an annual increase in payment rates for hospice care services. Rates for hospice physician services are not increased under this provision.

Due to federal regulations, on or after April 1, 2010, MO HealthNet hospice services for children (ages 0-20) were allowed to be concurrent with the care related to curative treatment of the condition for which a diagnosis of a terminal illness was made.

Comprehensive Day Rehabilitation - This program covers services for certain persons with disabling impairments as the result of a traumatic head injury. It provides intensive, comprehensive services designed to prevent and/or minimize chronic disabilities while restoring the individual to an optimal level of physical, cognitive, and behavioral function within the context of the person, family, and community.

The program emphasizes functional living skills, adaptive strategies for cognitive, memory or perceptual deficits, and appropriate interpersonal skills. These services help to train individuals so that the person can leave the rehabilitation center and re-enter society. Services are designed to maintain and improve the participant's ability to function as independently as possible in the community. Services for this program must be provided in a free-standing rehabilitation center or in an acute hospital setting with space dedicated to head injury rehabilitation. Eligibility for this program is limited to individuals who are under the age of 21, pregnant women, blind persons or nursing home residents. These individuals must receive prior authorization from the MO HealthNet Division. Reimbursement is made for either a full day or a half day of services.

In 2005, Senate Bill 539 eliminated certain optional Medicaid services for individuals age 21 and over. Comprehensive Day Rehabilitation was eliminated for all adults age 21 or older except for those who are under a category of assistance for blind, pregnant women or nursing home care. The program is still available for children under the age of 21. No rate changes have occurred in the past 10 years.

#### Clinical Management Services Program (CMSP)

Through a contract with Xerox (formerly ACS-Heritage), MHD operates an innovative electronic web-based clinical editing process for its point-of-sale pharmacy and medical claims, medical and drug prior authorization, and Drug Utilization Review (DUR) processes including optical and DME. MO HealthNet is in the process of adding a precertification module for psychology services.

The current CMSP claim processing system allows each claim/authorization request to be referenced against the participant's claims history including pharmacy, medical, and procedural data (ICD-9 and CPT codes), providing real time data to participating MO HealthNet providers. For patients that meet approval criteria, the claim/authorization request will be paid automatically. In instances when a phone call is necessary, the hotline call center is available seven days a week, which allows providers prompt access to a paid claim for the requested product or service. In addition to receiving messages regarding the outcome of the processing of claims and the amount to be reimbursed, pharmacy providers receive prospective drug use review alert messages at the time prescriptions are dispensed.

The contract with Xerox utilizes their CyberAccess<sup>SM</sup> tool to create integrated patient profiles containing prescription information, as well as patient diagnoses and procedure codes for a running 24 months of history. CyberAccess<sup>SM</sup> provides: participant claims history profiles, updated daily, identifying all drugs, procedures, related diagnoses and ordering providers from claims paid by MHD for a rolling 36 month period; and three years of point of sale (POS) pharmacy claims refreshed every ten (10) minutes.

### Children's Residential Treatment

MHD currently pays for Children's Residential Treatment services. These services cover children who are status offenders and children who have been abused or neglected and/or have emotional or psychological difficulties requiring treatment in a residential environment. There are various levels of residential services available to these youth and children, depending on specific needs. Two basic federal funding streams partially help fund Residential Treatment: Title IV-E and Title XIX. Types of residential care include emergency, levels 2-4, family-focused/aftercare, infant/toddler, maternity and maternity with infant. In addition, for a select number of children with severe behavioral health needs, residential treatment services include an integrated delivery system managed by specialized care management organizations (CMOs).

Residential contractors provide room and board, supervision, and therapeutic rehabilitative services to children within their programs. Rehabilitative services are necessary to address the behavioral needs of children and transition them to Community-Based settings through rehabilitative planning, evaluation and service delivery. Children who receive such services have completed a Childhood Severity of Psychiatric Illness (CSPI) assessment to establish eligibility. A portion of children and youth are served through residential placement not because of behavioral needs, but because they are in need of emergency placement, or are young women in need of maternity and infant care

The residential contracts allow the Department to maintain compliance with federal requirements; strengthen Medicaid rehab claiming protocols; maintain compliance with the federal district court order to base room and board reimbursements on cost-base methodology.

#### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(12) and (18), 1905(o); Federal regulation: 42 CFR 410.40, 418, 431.53, 440.60, 440.120, 440.130 and 440.170.

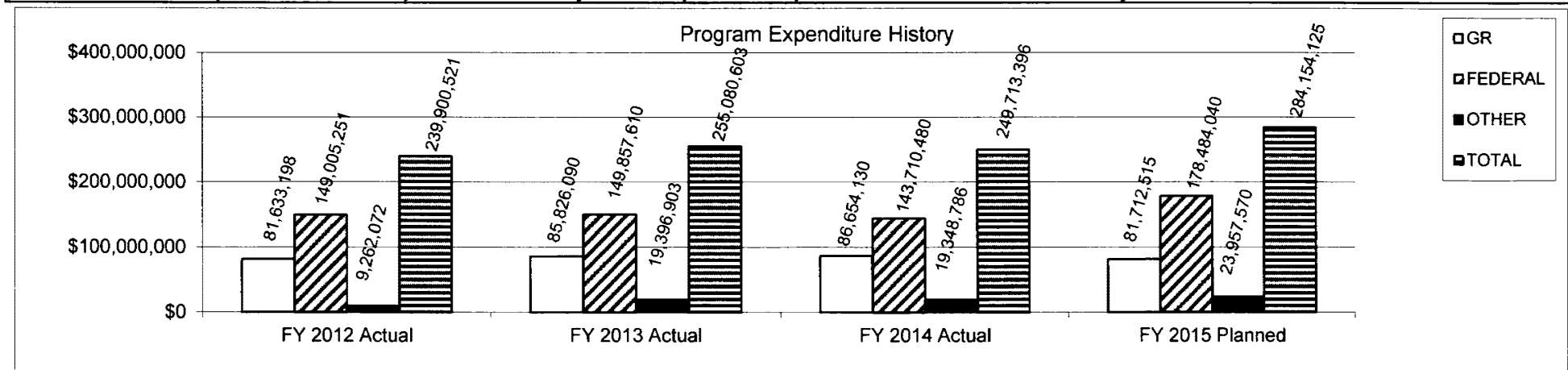
#### **3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is blended at a 63.095% federal match. The state matching requirement is 36.905%.

#### **4. Is this a federally mandated program? If yes, please explain.**

This program is not mandatory for adults but is mandatory for children.

#### **5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



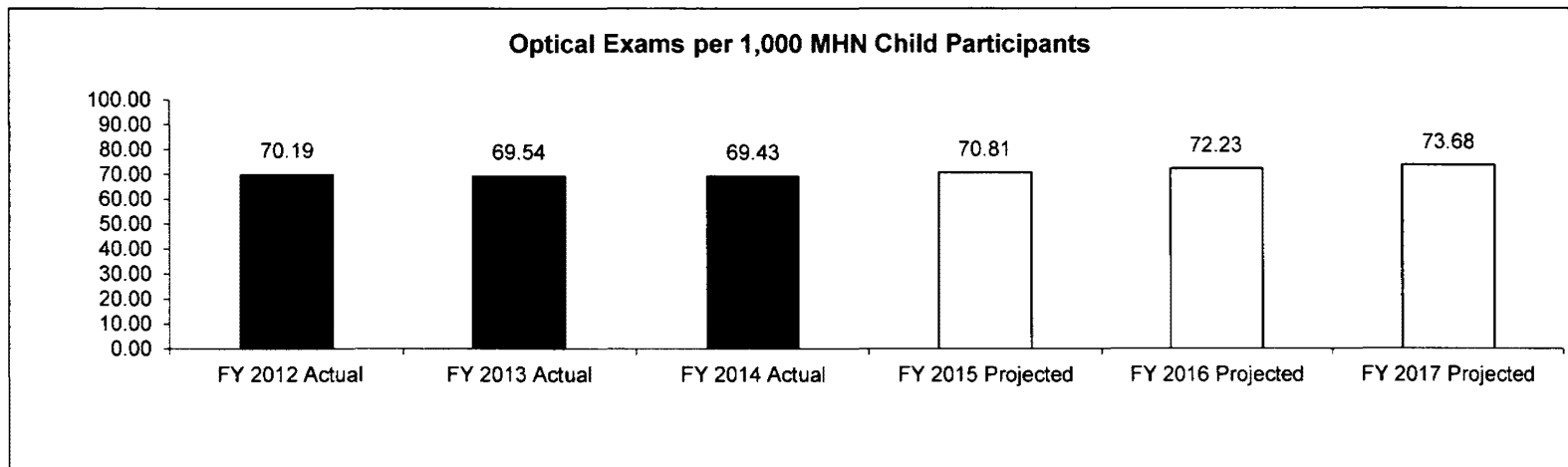
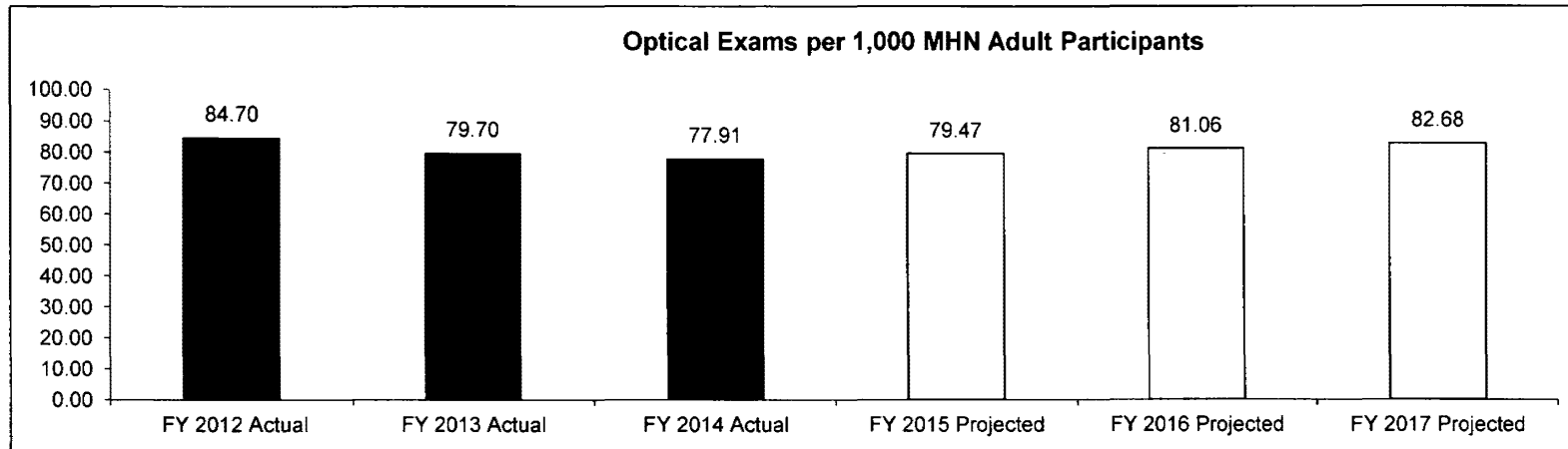
FY 2015 is net of reverted and reserved. Reverted: \$5,846 Other Funds.

**6. What are the sources of the "Other" funds?**

Health Initiatives Fund (0275), Healthy Families Trust Fund (0625), Nursing Facility Federal Reimbursement Allowance (0196) and Ambulance Service Reimbursement Allowance Fund (0958).

**7a. Provide an effectiveness measure.**

Provide optical exams to MO HealthNet eligibles. Children and adults who are pregnant, blind, or in a nursing facility are eligible for an eye exam every twelve months. All other adults are eligible for one eye exam every twenty-four months. In state fiscal year 2014, there was over 77 optical examinations for every 1,000 adults, and over 69 optical examinations for every 1,000 children.





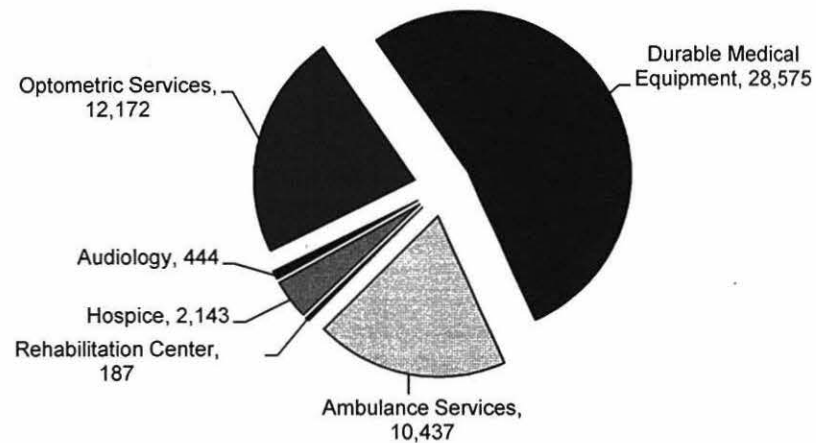
**7b. Provide an efficiency measure.**

N/A

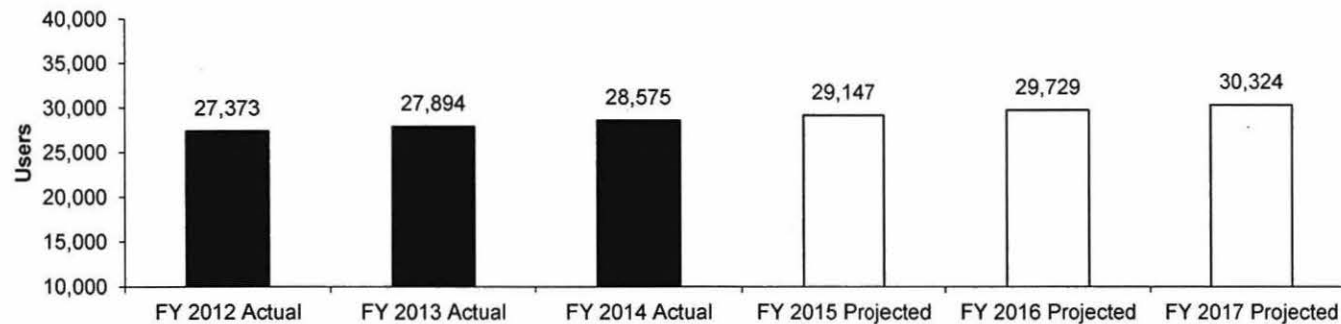
**7c. Provide the number of clients/individuals served, if applicable.**

In regions of the state with access to MO HealthNet Managed Care, rehab and specialty services are available through the MO HealthNet Managed Care health plans for those populations enrolled in Managed Care.

**Average Monthly FFS Users of  
Rehab and Specialty Services in FY 2014**



**Durable Medical Equipment Users**



**7d. Provide a customer satisfaction measure, if available.**

N/A

**NEW DECISION ITEM  
RANK: 13**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: Hospice Rate Increase**

**Budget Unit: 90550C**  
**DI#: 1886009**

**1. AMOUNT OF REQUEST**

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	113,357	196,785		310,142
TRF				
<b>Total</b>	<b>113,357</b>	<b>196,785</b>		<b>310,142</b>
<b>FTE</b>				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	113,751	196,391		310,142
TRF				
<b>Total</b>	<b>113,751</b>	<b>196,391</b>		<b>310,142</b>
<b>FTE</b>				

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input checked="" type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Inflation	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Funding is needed to apply the annual hospice rate increase as established by Medicare.*

The MO HealthNet hospice rates are calculated based on the annual hospice rates established under Medicare, Section 1814(j)(1)(ii). The Act provides for an annual increase in payment rates for hospice care services.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

MO HealthNet reimbursement for hospice care is made at one of four predetermined rates for each day in which an individual is under the care of the hospice. The four levels of care are routine home care, continuous home care, inpatient respite care, or general inpatient care. The rate paid for any day may vary, depending on the level of care furnished. Payment rates are adjusted for regional differences in wages.

An increase of 3.49% is requested. An increase of 2.28% was applied to actual FFY 14 units to arrive at the FFY 16 projected units of service. The projected units of service was multiplied by the projected increase in rates to arrive at the total need.

Hospice rates are adjusted in October which is the beginning of the federal fiscal year and is three months into the state's fiscal year. This request includes the three months of FFY 15 that fall within SFY 16 - estimated impact of \$85,594. The twelve-months estimated increase for the FFY 16 rate adjustment is \$299,397. This total is then multiplied by 9/12 to arrive at the SFY 16 impact of \$224,548. The total request for SFY 16 is \$310,142 (3 months totaling \$85,594 plus 9 months totaling \$224,548).

	Total	GR	Federal
July 2015 through Sept. 2015 Increase	85,594	31,285	54,309
Oct. 2015 through June 2016 Increase	224,548	82,072	142,476
Total	\$310,142	\$113,357	\$196,785

FMAP 63.45% Quarter 1 (July through September)  
FMAP 63.45% Quarters 2-4 (October through June)

The Governor recommended as requested.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	113,357		196,785		0		310,142		
Total PSD	113,357		196,785		0		310,142		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	113,357	0.0	196,785	0.0	0	0.0	310,142	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	113,751		196,391				310,142		
Total PSD	113,751		196,391		0		310,142		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	113,751	0.0	196,391	0.0	0	0.0	310,142	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

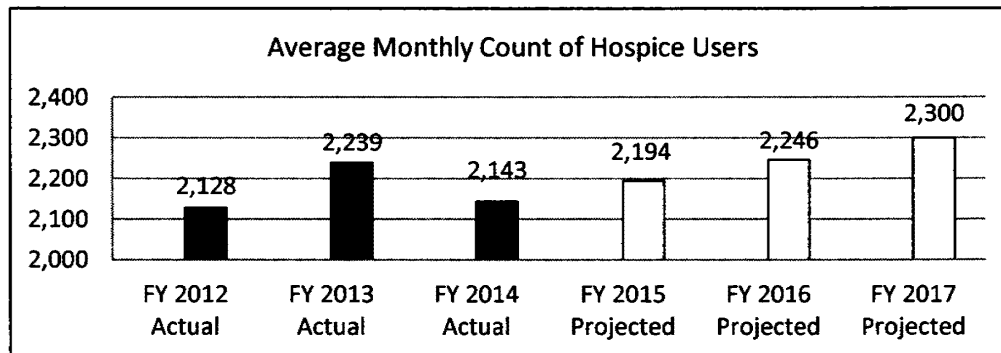
**6a. Provide an effectiveness measure.**

N/A

**6b. Provide an efficiency measure.**

N/A

**6c. Provide the number of clients/individuals served, if applicable.**



**6d. Provide a customer satisfaction measure, if available.**

N/A

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
Hospice Rate Increase - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	310,142	0.00	310,142	0.00
TOTAL - PD	0	0.00	0	0.00	310,142	0.00	310,142	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$310,142</b>	<b>0.00</b>	<b>\$310,142</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$113,357	0.00	\$113,751	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$196,785	0.00	\$196,391	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>NON-EMERGENCY TRANSPORT</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	79,913	0.00	0	0.00	0	0.00	0	0.00	
TOTAL - EE	79,913	0.00	0	0.00	0	0.00	0	0.00	
PROGRAM-SPECIFIC									
GENERAL REVENUE	12,627,985	0.00	12,384,474	0.00	12,645,837	0.00	10,532,755	0.00	
TITLE XIX-FEDERAL AND OTHER	24,576,787	0.00	28,540,720	0.00	28,540,720	0.00	28,540,720	0.00	
TOTAL - PD	37,204,772	0.00	40,925,194	0.00	41,186,557	0.00	39,073,475	0.00	
<b>TOTAL</b>	<b>37,284,685</b>	<b>0.00</b>	<b>40,925,194</b>	<b>0.00</b>	<b>41,186,557</b>	<b>0.00</b>	<b>39,073,475</b>	<b>0.00</b>	
<b>Medicaid CTC - 1886018</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	532,564	0.00	714,142	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	326,703	0.00	
TOTAL - PD	0	0.00	0	0.00	532,564	0.00	1,040,845	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>532,564</b>	<b>0.00</b>	<b>1,040,845</b>	<b>0.00</b>	
<b>NEMT Rate Increase - 1886014</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	564,207	0.00	560,721	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	964,602	0.00	968,088	0.00	
TOTAL - PD	0	0.00	0	0.00	1,528,809	0.00	1,528,809	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,528,809</b>	<b>0.00</b>	<b>1,528,809</b>	<b>0.00</b>	
<b>FMAP ADJUSTMENT - 1886032</b>									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	2,113,082	0.00	
TOTAL - PD	0	0.00	0	0.00	0	0.00	2,113,082	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2,113,082</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$37,284,685</b>	<b>0.00</b>	<b>\$40,925,194</b>	<b>0.00</b>	<b>\$43,247,930</b>	<b>0.00</b>	<b>\$43,756,211</b>	<b>0.00</b>	

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lm\_disummary



# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Non-Emergency Medical Transportation (NEMT)

Budget Unit: 90561C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	12,384,474	28,540,720		40,925,194
TRF				
Total	<u>12,384,474</u>	<u>28,540,720</u>		<u>40,925,194</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	10,532,755	28,540,720		39,073,475
TRF				
Total	<u>10,532,755</u>	<u>28,540,720</u>	<u>0</u>	<u>39,073,475</u>
FTE				

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

## 2. CORE DESCRIPTION

This core request is to provide funding for payments for non-emergency medical transportation.

## 3. PROGRAM LISTING (list programs included in this core funding)

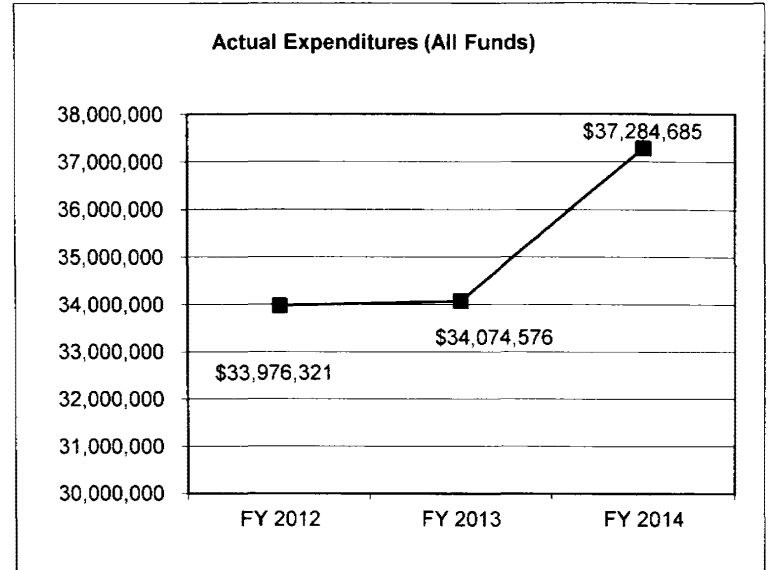
Non-Emergency Medical Transportation (NEMT)

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	36,843,494	36,843,494	41,455,931	40,925,194
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	36,843,494	36,843,494	41,455,931	N/A
Actual Expenditures (All Funds)	33,976,321	34,074,576	37,284,685	N/A
Unexpended (All Funds)	2,867,173	2,768,918	4,171,246	N/A
Unexpended, by Fund:				
General Revenue	119,482	0	633,019	N/A
Federal	2,747,691	2,768,918	3,538,227	N/A
Other	0	0	0	N/A

(1)

(2)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY13 Expenditures of \$28,506 were paid from the Supplemental Pool.

(2) FY 14 Agency Reserve of \$530,737 GR and \$865,018 Federal Funds.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**NON-EMERGENCY TRANSPORT**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>										
				PD	0.00	12,384,474	28,540,720	0	40,925,194	
				<b>Total</b>	<b>0.00</b>	<b>12,384,474</b>	<b>28,540,720</b>	<b>0</b>	<b>40,925,194</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Transfer In	841	5928		PD	0.00	261,363	0	0	261,363	Transfer in from DMH for DED Waiver NEMT expenses.
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>261,363</b>	<b>0</b>	<b>0</b>	<b>261,363</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				PD	0.00	12,645,837	28,540,720	0	41,186,557	
				<b>Total</b>	<b>0.00</b>	<b>12,645,837</b>	<b>28,540,720</b>	<b>0</b>	<b>41,186,557</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reduction	2042	5928		PD	0.00	(2,113,082)	0	0	(2,113,082)	
<b>NET GOVERNOR CHANGES</b>					<b>0.00</b>	<b>(2,113,082)</b>	<b>0</b>	<b>0</b>	<b>(2,113,082)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				PD	0.00	10,532,755	28,540,720	0	39,073,475	
				<b>Total</b>	<b>0.00</b>	<b>10,532,755</b>	<b>28,540,720</b>	<b>0</b>	<b>39,073,475</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NON-EMERGENCY TRANSPORT</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	79,913	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	79,913	0.00	0	0.00	0	0.00	0	0.00
PROGRAM DISTRIBUTIONS	37,204,772	0.00	40,925,194	0.00	41,186,557	0.00	39,073,475	0.00
TOTAL - PD	37,204,772	0.00	40,925,194	0.00	41,186,557	0.00	39,073,475	0.00
<b>GRAND TOTAL</b>	<b>\$37,284,685</b>	<b>0.00</b>	<b>\$40,925,194</b>	<b>0.00</b>	<b>\$41,186,557</b>	<b>0.00</b>	<b>\$39,073,475</b>	<b>0.00</b>
GENERAL REVENUE	\$12,707,898	0.00	\$12,384,474	0.00	\$12,645,837	0.00	\$10,532,755	0.00
FEDERAL FUNDS	\$24,576,787	0.00	\$28,540,720	0.00	\$28,540,720	0.00	\$28,540,720	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Non-Emergency Medical Transportation (NEMT)**

**Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)**

### 1. What does this program do?

The purpose of the NEMT program is to ensure non-emergency medical transportation to MO HealthNet participants who do not have access to free appropriate transportation (can use free community resources or other free programs) to scheduled MO HealthNet covered services. The participant is to be provided with the most appropriate mode of transportation. As of November 2005, the service is provided as a direct state plan service. The state contracts with a statewide broker and pays monthly capitation payments for each NEMT participant based on which of the four regions of the state in which the participant resides. Logisticare is Missouri's NEMT broker contract initially awarded effective July 1, 2013 through June 30, 2014. The contract is currently extended through June 30, 2015.

Missouri's program utilizes and builds on the existing transportation networks in the state. Managed Care providers are required to include NEMT in their benefit package.

Where appropriate and possible, the MO HealthNet Division enters into cooperative agreements to provide matching MO HealthNet funds for state and local general revenue already being used to transport MO HealthNet participants to medical services. Participants are required to use public entity transportation when available. When they do so, the payments are made by public entities on a per trip basis. By working with existing governmental entities and established transportation providers, NEMT is provided in a cost-effective manner and governmental agencies are able to meet the needs of their constituency.

The MO HealthNet Division works with the following state and local agencies to provide federal matching funds for general revenue used for NEMT services: the Children's Division for children in state care and custody, the Department of Mental Health, public school districts, St. Louis Metro Call-A-Ride, Kansas City Area Transit Authority, the City of Columbia, City Utilities of Springfield, and the City of Jefferson.

### NEMT PMPM Based on Participant\* and Region

Region	FY 15 PMPM Rate MHD (awarded bid)
ABD St. Louis Area	\$10.82
ABD Kansas City Area	\$8.31
ABD Rest of State	\$14.09
MAFCPW Statewide	\$0.75

\*Participants- Age, Blind and Disabled (ABD); Medical Assistance for Families, Children and Pregnant Women (MAFCPW)

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, Federal regulation: 42 CFR 431.53 and 440.170

**3. Are there federal matching requirements? If yes, please explain.**

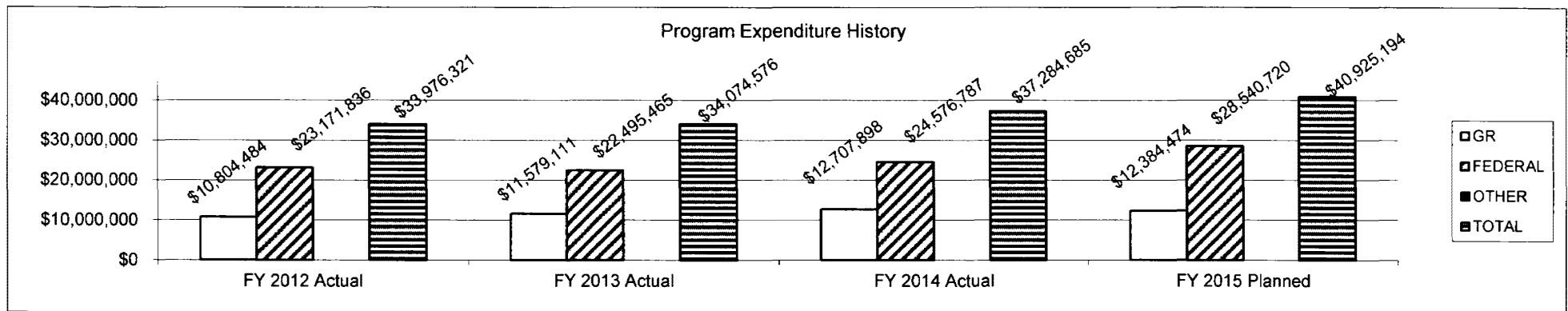
NEMT services receive a federal medical assistance percentage (FMAP) on program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is a blended 63.095% federal match. The state matching requirement is 36.905%.

Services provided through public entities use state and local general revenue to transport MO HealthNet participants. MO HealthNet provides payment of the federal share for these services. These expenditures earn a 50% federal match.

**4. Is this a federally mandated program? If yes, please explain.**

Yes, state Medicaid programs must assure availability of medically necessary transportation.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

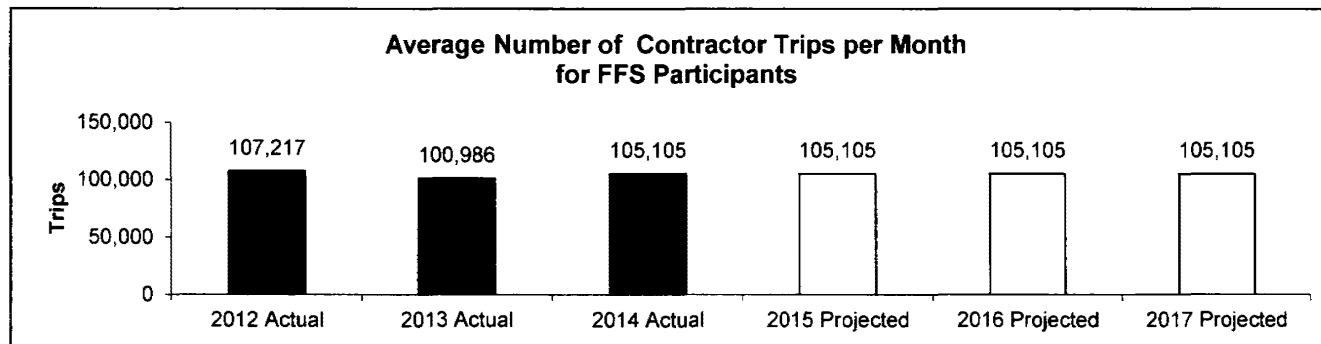


**6. What are the sources of the "Other" funds?**

N/A

**7a. Provide an effectiveness measure.**

Provide non-emergency medical transportation to MO HealthNet participants to increase access to health care. There were 105,105 NEMT trips per month provided through the contractor in SFY 2014.

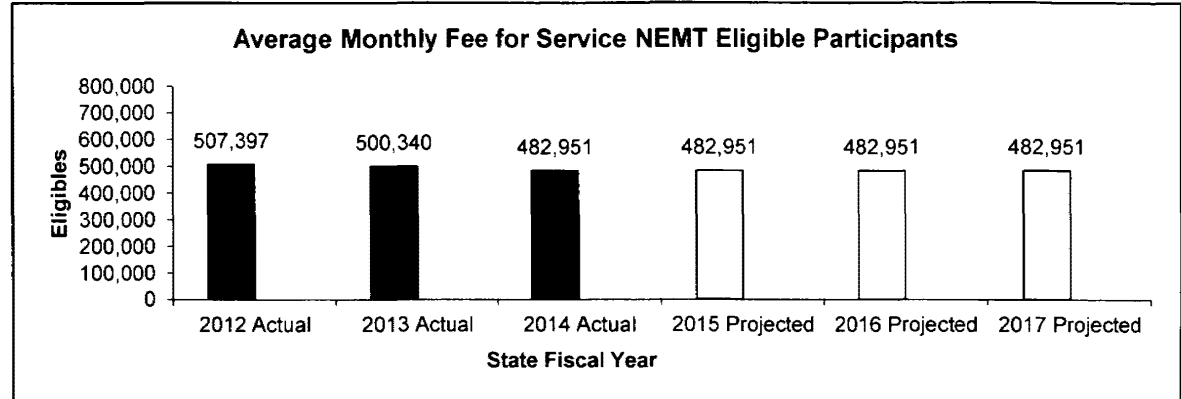


**7b. Provide an efficiency measure.**

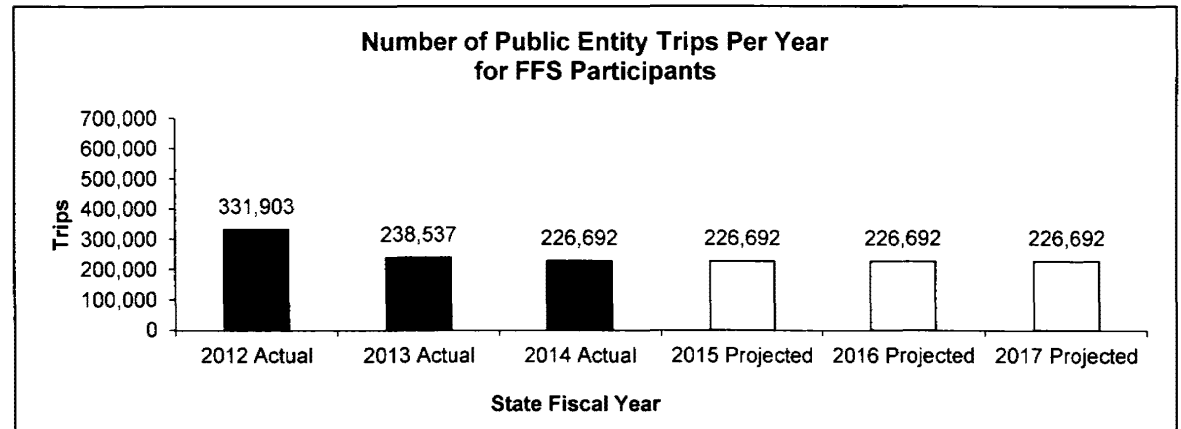
N/A

**7c. Provide the number of clients/individuals served, if applicable.**

Non-emergency medical transportation is available to MO HealthNet participants who are eligible under a federal aid category. Those participating under a state only funded category or under a Title XXI expansion category are not eligible for NEMT services. Participants in Managed Care receive the NEMT benefit but are not included in the chart.



Public entities have interagency agreements with the MO HealthNet Division to provide access to transportation services for a specific group of participants, such as dialysis patients, persons with disabilities, or the elderly. Public entities use state and local dollars to draw down the federal matching funds.

**7d. Provide a customer satisfaction measure, if available.**

The proportion of complaints to the number of trips provided by the contractor remains below 1%.

NEMT Complaint to Trip Ratio (Contractor Trips)						
	Actual			Projection		
	SFY 2012	SFY 2013	SFY 2014	SFY 2015	SFY 2016	SFY 2017
Trips	1,286,602	1,211,828	1,261,261	1,261,261	1,261,261	1,261,261
Complaints	2,620	2,160	3,203	3,203	3,203	3,203
% Complaints	<1%	<1%	<1%	<1%	<1%	<1%

**NEW DECISION ITEM  
RANK: 15**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: NEMT Actuarial Rate Increase**

**Budget Unit: 90561C**

**DI#: 1886014**

**1. AMOUNT OF REQUEST**

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	564,207	964,602		1,528,809
TRF				
<b>Total</b>	<b>564,207</b>	<b>964,602</b>		<b>1,528,809</b>
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	560,721	968,088		1,528,809
TRF				
<b>Total</b>	<b>560,721</b>	<b>968,088</b>	<b>0</b>	<b>1,528,809</b>
<b>FTE</b>				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Rate Increase	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Funding is needed for the cost increase of the new Non-Emergency Medical Transportation (NEMT) contract. The cost increase is attributed to the increase in SFY16 actuarially sound rates. NEMT services are provided for MO HealthNet participants who do not have access to free transportation to scheduled MO HealthNet covered services.*

The purpose of the NEMT program is to ensure non-emergency medical transportation to MO HealthNet participants who do not have access to free appropriate transportation (can use free community resources or other free programs) to scheduled MO HealthNet covered services. The participant is to be provided with the most appropriate mode of transportation. As of November 2005, the service is provided as a direct state plan service. The state contracts with a statewide broker and pays monthly capitation payments for each NEMT participant based on eligibility group and which of the four regions of the state the participant resides. For the new contract, MO HealthNet will have either a six-region RFP or a statewide model depending on the evaluation of the two Requests for Proposals (RFPs) issued.



**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The non-emergency medical transportation (NEMT) projected need of \$1,528,809 is based on the regional contract which requires actuarially sound NEMT rates. A trend of 4.5% is estimated for FY16 to maintain actuarial soundness.

SFY 15 NEMT Appropriation	<b>\$36,843,494</b>
Additional SFY Need Based on Contract Renewal	<b>\$1,528,809</b>

	Total	GR	Federal
NEMT	\$1,528,809	\$564,207	\$964,602

The Governor recommended as requested.

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

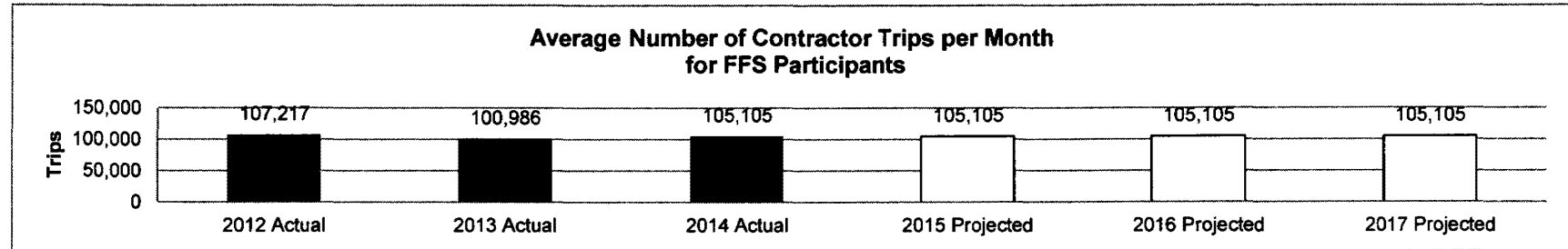
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
<b>Total PS</b>	0	0.0	0	0.0	0	0.0	0	0.0	0
<b>Total EE</b>	0		0		0		0		0
Program Distributions	564,207		964,602				1,528,809		
<b>Total PSD</b>	<b>564,207</b>		<b>964,602</b>		0		<b>1,528,809</b>		0
Transfers							0		
<b>Total TRF</b>	0		0		0		0		0
<b>Grand Total</b>	<b>564,207</b>	<b>0.0</b>	<b>964,602</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>1,528,809</b>	<b>0.0</b>	<b>0</b>

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec FTE	GR	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0		0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0			0		0		0		0
Program Distributions	560,721			968,088				1,528,809		
Total PSD	560,721			968,088		0		1,528,809		0
Transfers								0		
Total TRF	0			0		0		0		0
Grand Total	560,721		0.0	968,088	0.0	0	0.0	1,528,809	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

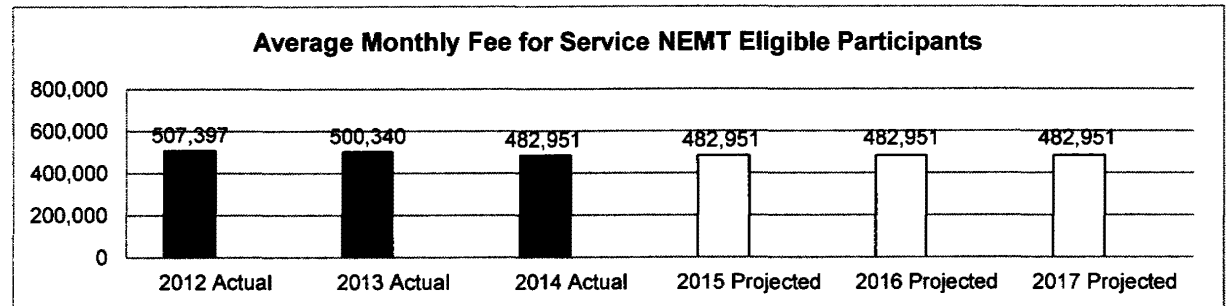
Provide non-emergency medical transportation (NEMT) to MO HealthNet participants to increase access to health care. There were 105,105 NEMT trips per month provided through the contractor in SFY 2014.



**6b. Provide an efficiency measure.**  
N/A

**6c. Provide the number of clients/individuals served, if applicable.**

Non-emergency medical transportation (NEMT) is available to MO HealthNet participants who are eligible under a federal aid category. Those participating under a state only funded category or under a Title XXI expansion category are not eligible for NEMT services. Participants in Managed Care receive the NEMT benefit but are not included in this chart.



**6d. Provide a customer satisfaction measure, if available.**

The proportion of complaints to the number of trips provided by the contractor remains below 1%.

NEMT Complaint to Trip Ratio (Contractor Trips)						
	Actual			Projection		
	SFY 2012	SFY 2013	SFY 2014	SFY 2015	SFY 2016	SFY 2017
Trips	1,286,602	1,211,828	1,261,261	1,261,261	1,261,261	1,261,261
Complaints	2,620	2,160	3,203	3,203	3,203	3,203
% Complaints	<1%	<1%	<1%	<1%	<1%	<1%

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NON-EMERGENCY TRANSPORT</b>								
<b>NEMT Rate Increase - 1886014</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,528,809	0.00	1,528,809	0.00
TOTAL - PD	0	0.00	0	0.00	1,528,809	0.00	1,528,809	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,528,809</b>	<b>0.00</b>	<b>\$1,528,809</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$564,207	0.00	\$560,721	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$964,602	0.00	\$968,088	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>COMMUNITY HEALTH ACCESS PRGRMS</b>								
<b>CORE</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	1,250,000	0.00	1,250,000	0.00	0	0.00
TOTAL - PD	0	0.00	1,250,000	0.00	1,250,000	0.00	0	0.00
TOTAL	0	0.00	1,250,000	0.00	1,250,000	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$1,250,000	0.00	\$1,250,000	0.00	\$0	0.00

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Communtiy Health Access Programs (CHAPS)

Budget Unit: 90579C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	1,250,000	0		1,250,000
TRF				
Total	1,250,000	0		1,250,000
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	0	0		0
TRF				
Total	0	0	0	0
FTE				

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

## 2. CORE DESCRIPTION

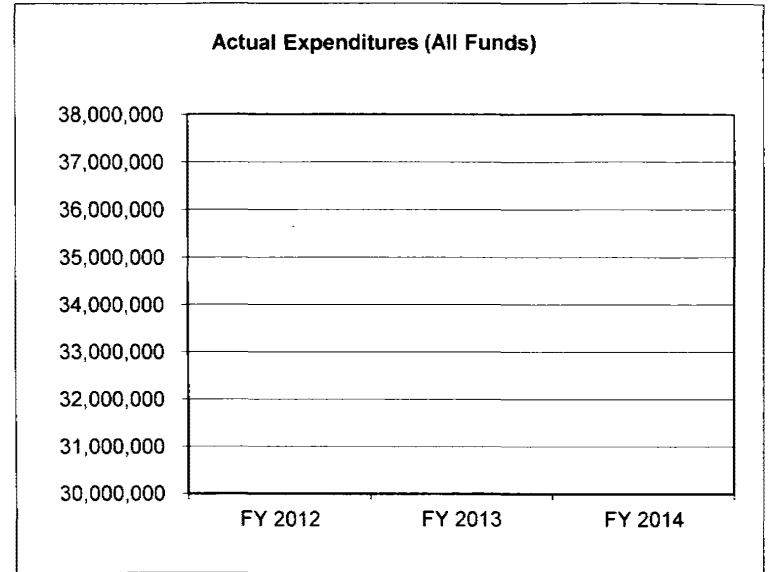
This core request is to provide funding for payments for Community Health Access Programs (CHAPS).

## 3. PROGRAM LISTING (list programs included in this core funding)

Community Health Access Programs (CHAPS)

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	0	0	0	1,250,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:



**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**COMMUNITY HEALTH ACCESS PRGRMS**

**5. CORE RECONCILIATION DETAIL**

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>								
		PD	0.00	1,250,000	0	0	1,250,000	
		<b>Total</b>	<b>0.00</b>	<b>1,250,000</b>	<b>0</b>	<b>0</b>	<b>1,250,000</b>	
<b>DEPARTMENT CORE REQUEST</b>								
		PD	0.00	1,250,000	0	0	1,250,000	
		<b>Total</b>	<b>0.00</b>	<b>1,250,000</b>	<b>0</b>	<b>0</b>	<b>1,250,000</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reduction	1874 9051	PD	0.00	(500,000)	0	0	(500,000)	Core reduction of Community Health Access Programs
Core Reduction	1874 9123	PD	0.00	(250,000)	0	0	(250,000)	Core reduction of Community Health Access Programs
Core Reduction	1874 9050	PD	0.00	(500,000)	0	0	(500,000)	Core reduction of Community Health Access Programs
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>(1,250,000)</b>	<b>0</b>	<b>0</b>	<b>(1,250,000)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		PD	0.00	0	0	0	0	
		<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
COMMUNITY HEALTH ACCESS PRGRMS								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	1,250,000	0.00	1,250,000	0.00	0	0.00
TOTAL - PD	0	0.00	1,250,000	0.00	1,250,000	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$1,250,000	0.00	\$1,250,000	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$1,250,000	0.00	\$1,250,000	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Community Health Access Programs (CHAPS)

Program is found in the following core budget(s):

**1. What does this program do?**

The purpose of the appropriation is for providing state matching funds for Community Health Access Programs (CHAPS) focused on meeting the health care needs of their communities and reducing costs incurred by health care providers when patients inappropriately access health care resources through Emergency Medical Services (EMS) or Emergency Departments (ED).

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

N/A

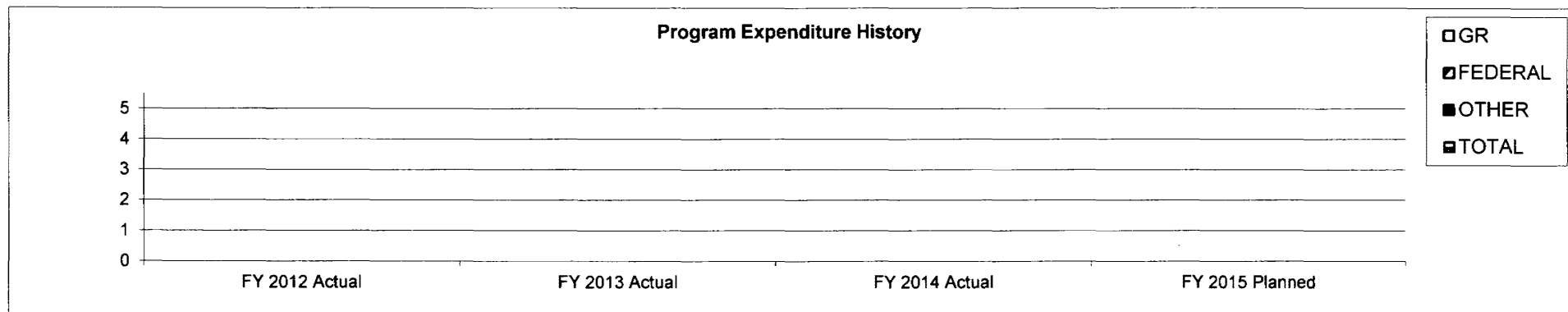
**3. Are there federal matching requirements? If yes, please explain.**

N/A

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



Planned FY 2015 expenditures are net of reserves

Reverted: \$1,250,000 GR

**6. What are the sources of the "Other" funds?**

N/A

**7a. Provide an effectiveness measure.**

N/A

**7b. Provide an efficiency measure.**

N/A

**7c. Provide the number of clients/individuals served, if applicable.**

N/A

**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>COMPLEX REHAB TECHNLOGY PRODUCTS</b>									
<b>CORE</b>									
<b>PROGRAM-SPECIFIC</b>									
GENERAL REVENUE	0	0.00	4,689,640	0.00	4,689,640	0.00	3,704,052		0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	8,017,690	0.00	8,017,690	0.00	6,316,068		0.00
TOTAL - PD	0	0.00	12,707,330	0.00	12,707,330	0.00	10,020,120		0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>12,707,330</b>	<b>0.00</b>	<b>12,707,330</b>	<b>0.00</b>	<b>10,020,120</b>		<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$12,707,330</b>	<b>0.00</b>	<b>\$12,707,330</b>	<b>0.00</b>	<b>\$10,020,120</b>		<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Complex Rehab Technology

Budget Unit: 90550C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				0
PSD	4,689,640	8,017,690		12,707,330
TRF				
Total	4,689,640	8,017,690	0	12,707,330

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	3,704,052	6,316,068		10,020,120
TRF				
Total	3,704,052	6,316,068	0	10,020,120

FTE

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

## 2. CORE DESCRIPTION

This core funds items classified within the Medicare program as of January 1, 2014 as durable medical equipment that are individually configured for individuals to meet their specific and unique medical, physical, and functional capacities for basic activities of daily living and instrumental activities of daily living identified as medically necessary to prevent hospitalization and/or institutionalization of a complex needs patient.

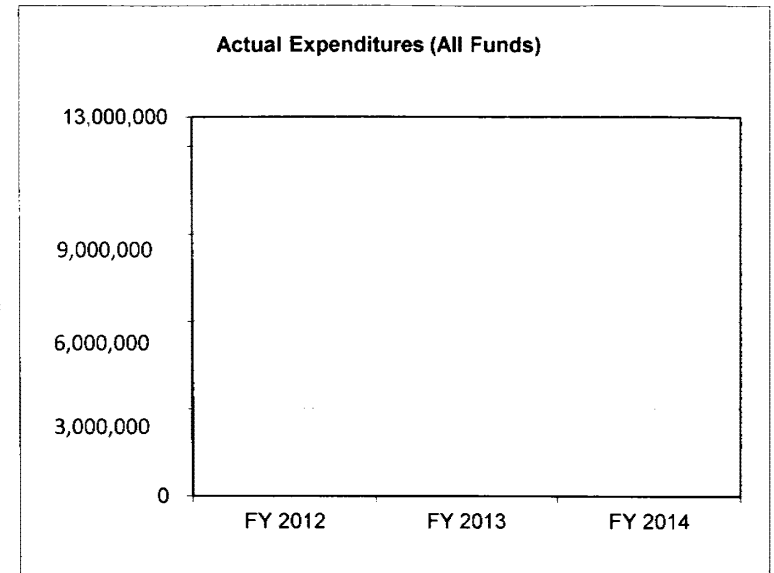
## 3. PROGRAM LISTING (list programs included in this core funding)

Complex Rehab Technology

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	N/A	N/A	N/A	12,707,330
Less Reverted (All Funds)				N/A
Budget Authority (All Funds)				N/A
Actual Expenditures (All Funds)				N/A
Unexpended (All Funds)				N/A
Unexpended, by Fund:				
General Revenue				N/A
Federal				N/A
Other				N/A

(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY15 Complex Rehab Technology was moved out of Rehab & Specialty Services



# CORE RECONCILIATION DETAIL

## DEPARTMENT OF SOCIAL SERVICES COMPLEX REHAB TECHNLOGY PRODUCTS

### 5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>								
		PD	0.00	4,689,640	8,017,690	0	12,707,330	
		<b>Total</b>	<b>0.00</b>	<b>4,689,640</b>	<b>8,017,690</b>	<b>0</b>	<b>12,707,330</b>	
<b>DEPARTMENT CORE REQUEST</b>								
		PD	0.00	4,689,640	8,017,690	0	12,707,330	
		<b>Total</b>	<b>0.00</b>	<b>4,689,640</b>	<b>8,017,690</b>	<b>0</b>	<b>12,707,330</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reallocation	2001 8996	PD	0.00	0	(1,701,622)	0	(1,701,622)	
Core Reallocation	2001 8995	PD	0.00	(985,588)	0	0	(985,588)	
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>(985,588)</b>	<b>(1,701,622)</b>	<b>0</b>	<b>(2,687,210)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		PD	0.00	3,704,052	6,316,068	0	10,020,120	
		<b>Total</b>	<b>0.00</b>	<b>3,704,052</b>	<b>6,316,068</b>	<b>0</b>	<b>10,020,120</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>COMPLEX REHAB TECHNLOGY PRDUTCS</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	0	0.00	12,707,330	0.00	12,707,330	0.00	10,020,120	0.00
TOTAL - PD	0	0.00	12,707,330	0.00	12,707,330	0.00	10,020,120	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$12,707,330</b>	<b>0.00</b>	<b>\$12,707,330</b>	<b>0.00</b>	<b>\$10,020,120</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$4,689,640	0.00	\$4,689,640	0.00	\$3,704,052	0.00
FEDERAL FUNDS	\$0	0.00	\$8,017,690	0.00	\$8,017,690	0.00	\$6,316,068	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Complex Rehab Technology**

**Program is found in the following core budget(s): Complex Rehab Technology**

### 1. What does this program do?

This program funds items classified within the Medicare program as of January 1, 2014 as durable medical equipment that are individually configured for individuals to meet their specific and unique medical, physical, and functional capacities for basic activities of daily living and instrumental activities of daily living identified as medically necessary to prevent hospitalization and/or institutionalization of a complex needs patient. Such items shall include, but not be limited to, complex rehabilitation power wheelchairs, highly configurable manual wheelchairs, adaptive seating and positioning seats, and other specialized equipment such as standing frames and gait trainers. The related Healthcare Common Procedure Coding System (HCPCS) billing codes include, but are not limited to pure complex rehabilitation technology codes and mixed complex rehabilitation technology codes which contain a mix of complex rehabilitation technology products and standard mobility and accessory products, and are defined by the National Coalition for Assistive and Rehab Technology (NCART) as CRT.

#### Rate Change History:

04/15/10: Decrease rates to 100% of the 01/01/09 Medicare fee schedule; manually priced wheelchairs and accessories decreased to 80% of MSRP for manual and custom wheelchairs and 85% of MSRP for power wheelchairs; revised requirements for eligibility for nursing home wheelchairs to decrease costs

08/12/10: Decrease rates for all services except complex rehab item to 96.5% of the 01/01/10 Medicare fee schedule; oxygen reimbursement methodology revised to increase reimbursement of portable systems and decrease reimbursement of stationary systems

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(12) and (18), 1905(o); Federal regulation: 42 CFR 410.40, 418, 431.53, 440.60, 440.120, 440.130 and 440.170.

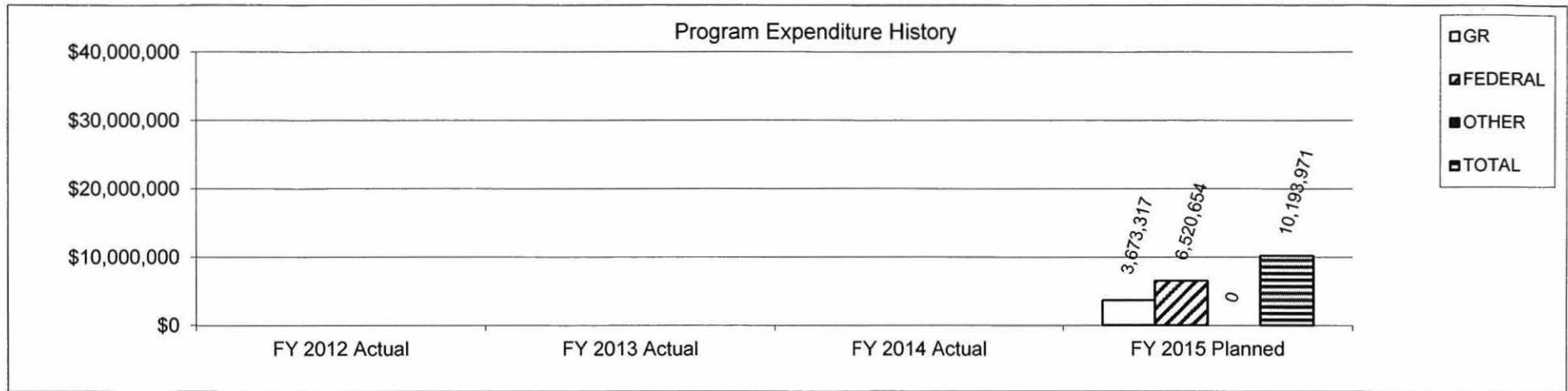
### 3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is blended at a 63.095% federal match. The state matching requirement is 36.905%.

### 4. Is this a federally mandated program? If yes, please explain.

This program is not mandatory for adults but is mandatory for children.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



FY 2015 is net of reserves and reverted. Reverted: \$140,689 GR. Restricted: \$875,634 GR. Agency Reserve: \$1,497,036.

**6. What are the sources of the "Other" funds?**

N/A

**7a. Provide an effectiveness measure.**

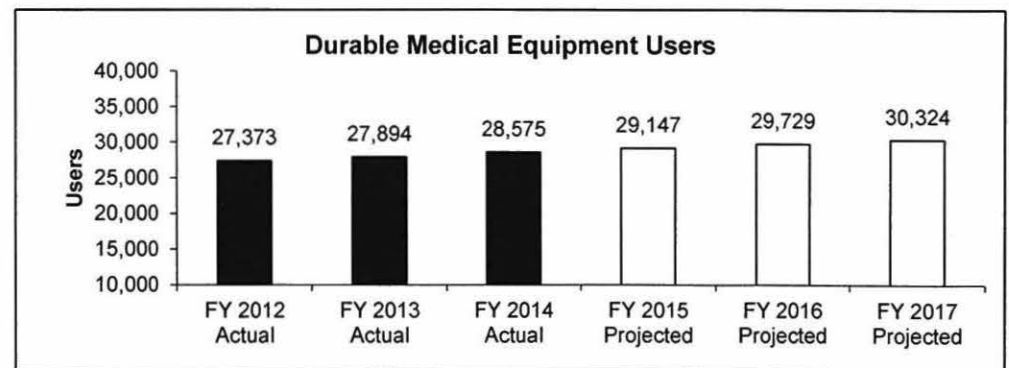
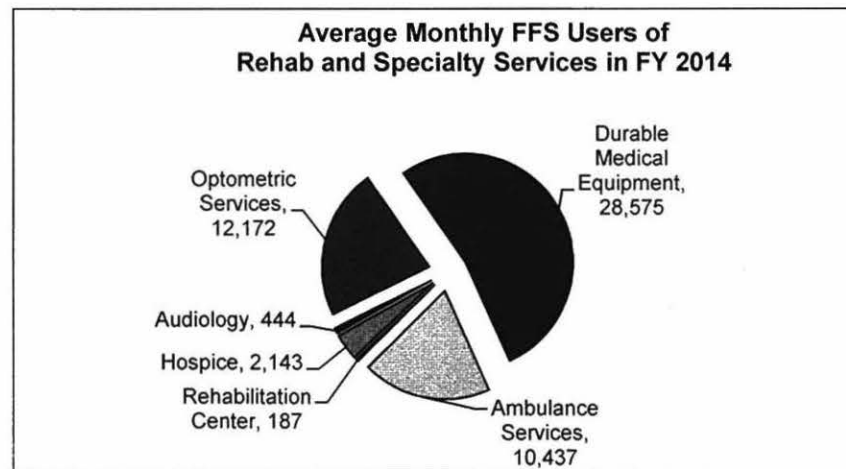
N/A

**7b. Provide an efficiency measure.**

N/A

**7c. Provide the number of clients/individuals served, if applicable.**

In regions of the state with access to MO HealthNet Managed Care, rehab and specialty services are available through the MO HealthNet Managed Care health plans for those populations enrolled in Managed Care.



**7d. Provide a customer satisfaction measure, if available.**

N/A

**Ambulance Service  
Reimbursement Allowance  
Transfer**

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>AMBULANCE SRV REIM ALLOW TRF</b>									
<b>CORE</b>									
FUND TRANSFERS									
GENERAL REVENUE	3,720,364	0.00	18,236,543	0.00	18,236,543	0.00	18,236,543	0.00	0.00
TOTAL - TRF	3,720,364	0.00	18,236,543	0.00	18,236,543	0.00	18,236,543	0.00	0.00
TOTAL	3,720,364	0.00	18,236,543	0.00	18,236,543	0.00	18,236,543	0.00	0.00
<b>GRAND TOTAL</b>	<b>\$3,720,364</b>	<b>0.00</b>	<b>\$18,236,543</b>	<b>0.00</b>	<b>\$18,236,543</b>	<b>0.00</b>	<b>\$18,236,543</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Ambulance Service Reimbursement Allowance Transfer

Budget Unit 90583C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	18,236,543			18,236,543
Total	<b>18,236,543</b>	<b>0</b>	<b>0</b>	<b>18,236,543</b>
FTE	0.00	0.00	0.00	0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	18,236,543			18,236,543
Total	<b>18,236,543</b>	<b>0</b>	<b>0</b>	<b>18,236,543</b>
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

## 2. CORE DESCRIPTION

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

## 3. PROGRAM LISTING (list programs included in this core funding)

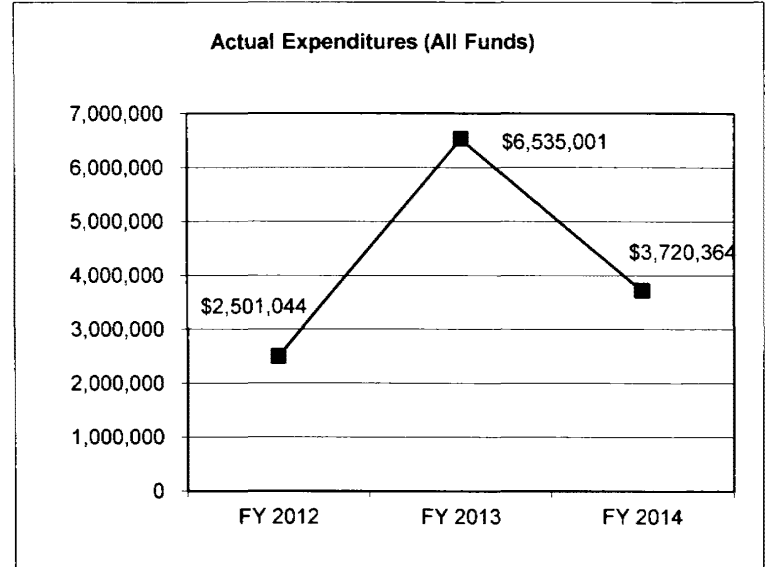
Ambulance Service Reimbursement Allowance Transfer

# **CORE DECISION ITEM**

**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** Ambulance Service Reimbursement Allowance Transfer

## **4. FINANCIAL HISTORY**

	<b>FY 2012 Actual</b>	<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Current Yr.</b>
Appropriation (All Funds)	9,069,225	9,069,225	18,236,543	18,236,543
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	9,069,225	9,069,225	18,236,543	N/A
Actual Expenditures (All Funds)	2,501,044	6,535,001	3,720,364	N/A
Unexpended (All Funds)	6,568,181	2,534,224	14,516,179	N/A
Unexpended, by Fund:				
General Revenue	6,568,181	2,534,224	14,516,179	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
	<b>(1)</b>	<b>(2)</b>		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

## **NOTES:**

**(1)** FY12 Ambulance Service Reimbursement Allowance Program began in FY 2012 (October 2011).

**(2)** FY13 Estimated appropriation or "E" status was removed.



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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****AMBULANCE SRV REIM ALLOW TRF**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<hr/>							
<b>TAFP AFTER VETOES</b>	TRF	0.00	18,236,543	0	0	18,236,543	
	<b>Total</b>	<b>0.00</b>	<b>18,236,543</b>	<b>0</b>	<b>0</b>	<b>18,236,543</b>	
<hr/>							
<b>DEPARTMENT CORE REQUEST</b>	TRF	0.00	18,236,543	0	0	18,236,543	
	<b>Total</b>	<b>0.00</b>	<b>18,236,543</b>	<b>0</b>	<b>0</b>	<b>18,236,543</b>	
<hr/>							
<b>GOVERNOR'S RECOMMENDED CORE</b>	TRF	0.00	18,236,543	0	0	18,236,543	
	<b>Total</b>	<b>0.00</b>	<b>18,236,543</b>	<b>0</b>	<b>0</b>	<b>18,236,543</b>	
<hr/>							

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>AMBULANCE SRV REIM ALLOW TRF</b>								
<b>CORE</b>								
TRANSFERS OUT	3,720,364	0.00	18,236,543	0.00	18,236,543	0.00	18,236,543	0.00
TOTAL - TRF	3,720,364	0.00	18,236,543	0.00	18,236,543	0.00	18,236,543	0.00
<b>GRAND TOTAL</b>	<b>\$3,720,364</b>	<b>0.00</b>	<b>\$18,236,543</b>	<b>0.00</b>	<b>\$18,236,543</b>	<b>0.00</b>	<b>\$18,236,543</b>	<b>0.00</b>
GENERAL REVENUE	\$3,720,364	0.00	\$18,236,543	0.00	\$18,236,543	0.00	\$18,236,543	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Ambulance Service Reimbursement Allowance Transfer

Program is found in the following core budget(s): Ambulance Service Reimbursement Allowance Transfer

**1. What does this program do?**

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

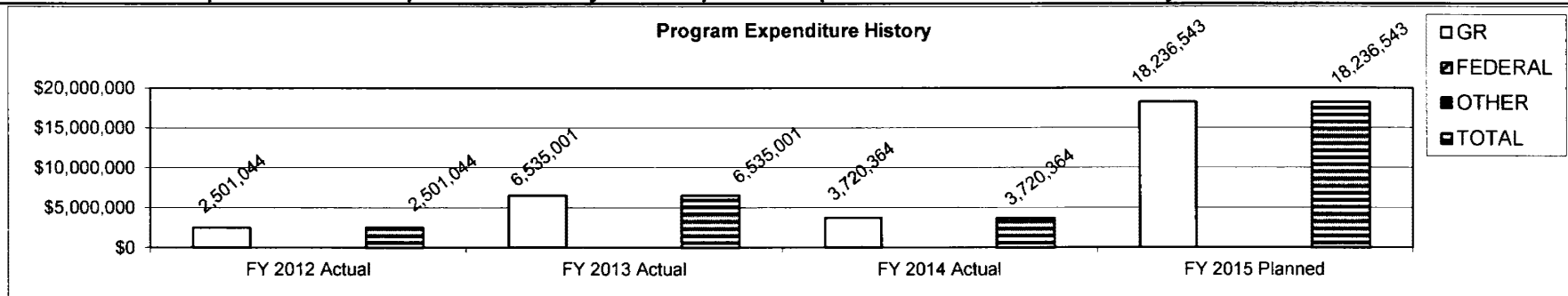
**3. Are there federal matching requirements? If yes, please explain.**

No.

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

N/A

**7a. Provide an effectiveness measure.**

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty appropriation.

**7b. Provide an efficiency measure.**

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty appropriation.

**7c. Provide the number of clients/individuals served, if applicable.**

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty appropriation.

**7d. Provide a customer satisfaction measure, if available.**

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty program.

**Gr Ambulance Service  
Reimbursement Allowance  
Transfer**

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>GR AMBULANCE SRV REIM ALL TRF</b>									
<b>CORE</b>									
<b>FUND TRANSFERS</b>									
AMBULANCE SERVICE REIMB ALLOW	3,720,364	0.00	18,236,543	0.00	18,236,543	0.00	18,236,543	0.00	0.00
TOTAL - TRF	3,720,364	0.00	18,236,543	0.00	18,236,543	0.00	18,236,543	0.00	0.00
<b>TOTAL</b>	<b>3,720,364</b>	<b>0.00</b>	<b>18,236,543</b>	<b>0.00</b>	<b>18,236,543</b>	<b>0.00</b>	<b>18,236,543</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$3,720,364</b>	<b>0.00</b>	<b>\$18,236,543</b>	<b>0.00</b>	<b>\$18,236,543</b>	<b>0.00</b>	<b>\$18,236,543</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services

Budget Unit 90583C

Division: MO HealthNet

Core: GR Ambulance Service Federal Reimbursement Allowance Transfer

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			18,236,543	18,236,543
Total	0	0	18,236,543	18,236,543

FTE

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Ambulance Service Reimbursement Allowance (0958)

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			18,236,543	18,236,543
Total	0	0	18,236,543	18,236,543

FTE

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Ambulance Service Reimbursement Allowance (0958)

## 2. CORE DESCRIPTION

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

## 3. PROGRAM LISTING (list programs included in this core funding)

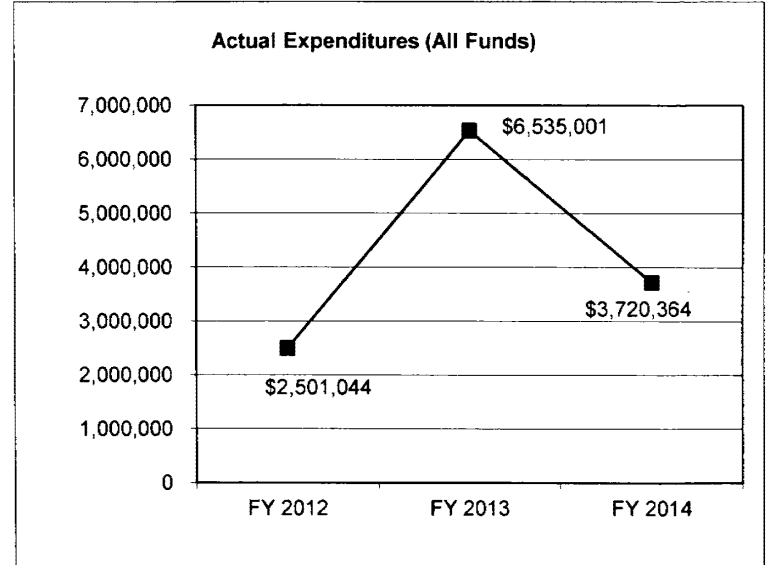
GR Ambulance Service Reimbursement Allowance Transfer

# CORE DECISION ITEM

**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** GR Ambulance Service Federal Reimbursement Allowance Transfer

## 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	9,069,225	9,069,225	18,236,543	18,236,543
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	9,069,225	9,069,225	18,236,543	N/A
Actual Expenditures (All Funds)	2,501,044	6,535,001	3,720,364	N/A
Unexpended (All Funds)	6,568,181	2,534,224	14,516,179	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	6,568,181	2,534,224	14,516,179	N/A
	(1)	(2)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

### NOTES:

(1) FY12 Ambulance Service Reimbursement Allowance Program began in FY 2012 (October 2011).

(2) FY 13 "E" status was removed.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**GR AMBULANCE SRV REIM ALL TRF**

**5. CORE RECONCILIATION DETAIL**

	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	TRF	0.00	0	0	18,236,543	18,236,543	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>18,236,543</b>	<b>18,236,543</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	TRF	0.00	0	0	18,236,543	18,236,543	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>18,236,543</b>	<b>18,236,543</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	TRF	0.00	0	0	18,236,543	18,236,543	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>18,236,543</b>	<b>18,236,543</b>	



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>GR AMBULANCE SRV REIM ALL TRF</b>								
<b>CORE</b>								
TRANSFERS OUT	3,720,364	0.00	18,236,543	0.00	18,236,543	0.00	18,236,543	0.00
TOTAL - TRF	3,720,364	0.00	18,236,543	0.00	18,236,543	0.00	18,236,543	0.00
<b>GRAND TOTAL</b>	<b>\$3,720,364</b>	<b>0.00</b>	<b>\$18,236,543</b>	<b>0.00</b>	<b>\$18,236,543</b>	<b>0.00</b>	<b>\$18,236,543</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$3,720,364	0.00	\$18,236,543	0.00	\$18,236,543	0.00	\$18,236,543	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: GR Ambulance Service Federal Reimburse Allowance Transfer

Program is found in the following core budget(s): GR Ambulance Service Fed Reimburse Allow -Transfer

### 1. What does this program do?

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

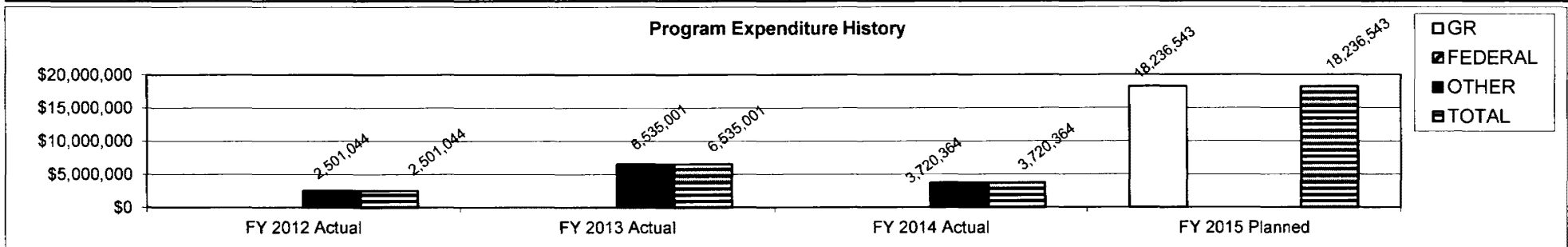
### 3. Are there federal matching requirements? If yes, please explain.

No.

### 4. Is this a federally mandated program? If yes, please explain.

No.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



### 6. What are the sources of the "Other " funds?

Ambulance Service Reimbursement Allowance (0958)

### 7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty appropriation.

### 7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty appropriation.

### 7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty appropriation.

### 7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty program.



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>MANAGED CARE</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	3,079,116	0.00	0	0.00	0	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	3,666,503	0.00	0	0.00	0	0.00	0	0.00	
LIFE SCIENCES RESEARCH TRUST	3,200	0.00	0	0.00	0	0.00	0	0.00	
TOTAL - EE	6,748,819	0.00	0	0.00	0	0.00	0	0.00	
PROGRAM-SPECIFIC									
GENERAL REVENUE	312,661,180	0.00	306,929,536	0.00	306,929,536	0.00	298,393,520	0.00	
TITLE XIX-FEDERAL AND OTHER	706,930,452	0.00	771,302,700	0.00	771,302,700	0.00	770,298,816	0.00	
FEDERAL REIMBURSEMENT ALLOWANCE	97,626,207	0.00	97,394,117	0.00	97,394,117	0.00	97,394,117	0.00	
HEALTH INITIATIVES	6,429,438	0.00	8,055,080	0.00	8,055,080	0.00	8,055,080	0.00	
HEALTHY FAMILIES TRUST	791,287	0.00	4,000,000	0.00	4,000,000	0.00	4,000,000	0.00	
LIFE SCIENCES RESEARCH TRUST	0	0.00	6,272,544	0.00	6,272,544	0.00	21,272,544	0.00	
AMBULANCE SERVICE REIMB ALLOW	0	0.00	930,652	0.00	930,652	0.00	930,652	0.00	
TOTAL - PD	1,124,438,564	0.00	1,194,884,629	0.00	1,194,884,629	0.00	1,200,344,729	0.00	
<b>TOTAL</b>	<b>1,131,187,383</b>	<b>0.00</b>	<b>1,194,884,629</b>	<b>0.00</b>	<b>1,194,884,629</b>	<b>0.00</b>	<b>1,200,344,729</b>	<b>0.00</b>	
<b>Managed Care Actuarial Increases - 1886010</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	22,784,349	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	40,082,034	0.00	11,187,155	0.00	
MO HEALTHNET MANAGED CARE ORG	0	0.00	0	0.00	0	0.00	5,000	0.00	
TOTAL - PD	0	0.00	0	0.00	62,866,383	0.00	11,192,155	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>62,866,383</b>	<b>0.00</b>	<b>11,192,155</b>	<b>0.00</b>	
<b>AFRA Increase - 1886027</b>									
PROGRAM-SPECIFIC									
AMBULANCE SERVICE REIMB ALLOW	0	0.00	0	0.00	522,459	0.00	522,459	0.00	
TOTAL - PD	0	0.00	0	0.00	522,459	0.00	522,459	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>522,459</b>	<b>0.00</b>	<b>522,459</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$1,131,187,383</b>	<b>0.00</b>	<b>\$1,194,884,629</b>	<b>0.00</b>	<b>\$1,258,273,471</b>	<b>0.00</b>	<b>\$1,212,059,343</b>	<b>0.00</b>	

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im\_disummary

## CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Managed Care

Budget Unit: 90551C

### 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	306,929,536	771,302,700	116,652,393	1,194,884,629
TRF				
<b>Total</b>	<b>306,929,536</b>	<b>771,302,700</b>	<b>116,652,393</b>	<b>1,194,884,629</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: Health Initiatives Fund (HIF) (0275)  
Federal Reimbursement Allowance Fund (FRA) (0142)  
Life Sciences Research Trust Fund(0763)  
Healthy Families Trust Fund (0625)  
Ambulance Service Reimb Allowance Fund (0958)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	298,393,520	770,298,816	131,652,393	1,200,344,729
TRF				
<b>Total</b>	<b>298,393,520</b>	<b>770,298,816</b>	<b>131,652,393</b>	<b>1,200,344,729</b>

FTE

<b>Est. Fring</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: Health Initiatives Fund (HIF) (0275)  
Federal Reimbursement Allowance Fund (FRA) (0142)  
Life Sciences Research Trust Fund(0763)  
Healthy Families Trust Fund (0625)  
Ambulance Service Reimb Allowance Fund (0958)

### 2. CORE DESCRIPTION

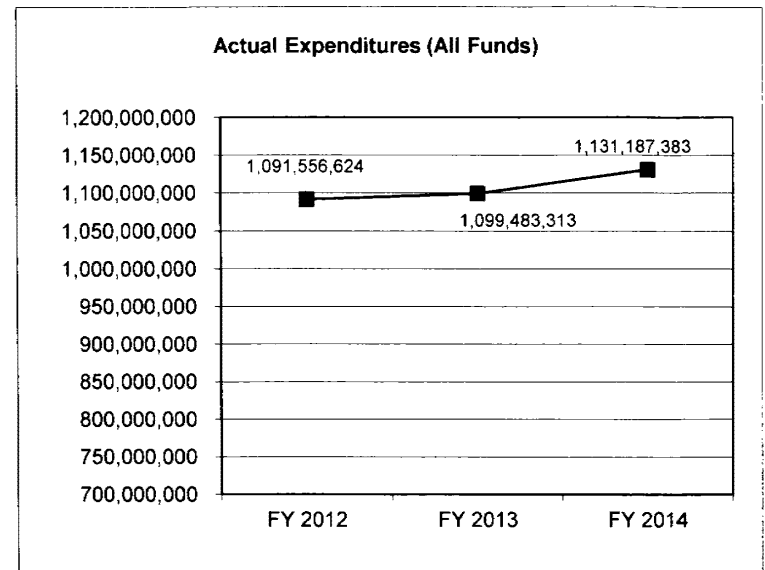
This core request is for the continued funding of the Managed Care program to provide health care services to the MO HealthNet Managed Care population.

### 3. PROGRAM LISTING (list programs included in this core funding)

Managed Care

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	1,148,266,112	1,126,120,521	1,183,233,995	1,194,884,629
Less Reverted (All Funds)	(8,692,652)	(241,652)	(241,652)	N/A
Budget Authority (All Funds)	1,139,573,460	1,125,878,869	1,182,992,343	N/A
Actual Expenditures (All Funds)	1,091,556,624	1,099,483,313	1,131,187,383	N/A
Unexpended (All Funds)	48,016,836	26,395,556	51,804,960	N/A
Unexpended, by Fund:				
General Revenue	728,226	-	4,705,043	N/A
Federal	40,181,076	26,395,556	34,591,478	N/A
Other	7,107,534	0	12,508,439	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

- (1) FY12 "E" appropriation on MO HealthNet Managed Care Organization Reimbursement Allowance removed in FY 2013, appropriation increased to \$385,067.  
 (2) FY13 Estimated appropriation or "E" status removed.  
 (3) FY14 Agency Reserves of \$10,861,776 Other Funds: \$1,383,719 Health Incentive Fund; \$3,208,713 Healthy Family Trust Fund; and \$6,269,344 in Life Science Research Fund.

#### 4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	Managed Care PMPM**	Acute Care PMPM***	Total PMPM	Managed Care Percentage of Acute	Managed Care Percentage of Total
PTD	\$0.00	\$1,031.29	\$1,860.84	0.00%	0.00%
Seniors	\$0.00	\$363.32	\$1,541.27	0.00%	0.00%
Custodial Parents	\$204.98	\$468.91	\$495.28	43.71%	41.39%
Children*	\$133.93	\$276.10	\$307.93	48.51%	43.49%
Pregnant Women	\$168.11	\$596.36	\$609.11	28.19%	27.60%

Source: Table 23 Medical Statistics for Fiscal Year 2014 (Paid Claims Data). Does not include add-on payments.

\* CHIP eligibles not included.

\*\* Includes EPSDT services.

\*\*\* Acute Care PMPM includes Managed Care and all Managed Care carve out services, such as Pharmacy.

See 4th paragraph on the right for complete list of services included in Acute Care PMPM.

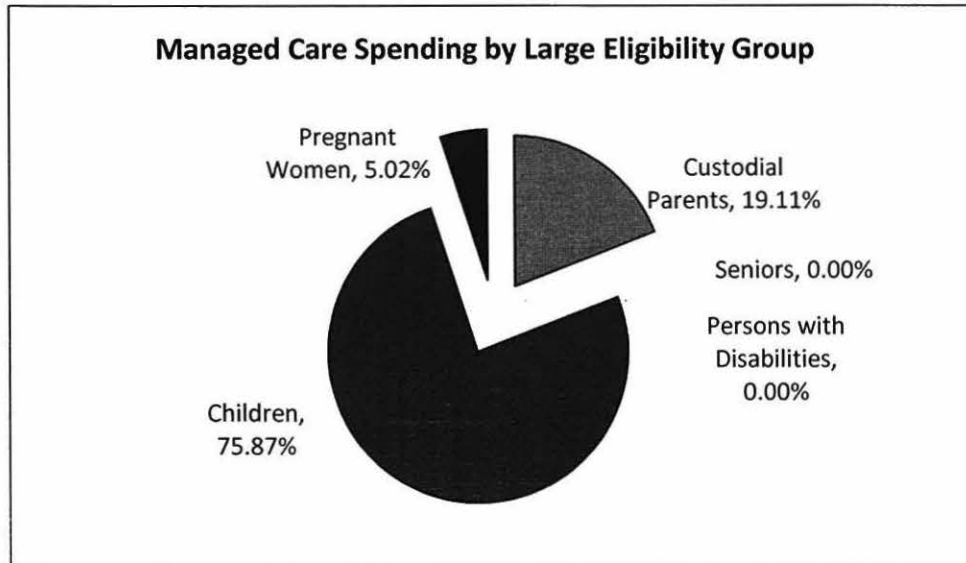
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for managed care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, pharmacy, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MO HealthNet. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the managed care PMPM to the acute care PMPM, MO HealthNet management can monitor the progress of interventions controlled by MO HealthNet management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for managed care. It provides a snapshot of what eligibility groups are enrolled in managed care, as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for Fiscal Year 2014 (Paid Claims Data).

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**MANAGED CARE**

**5. CORE RECONCILIATION DETAIL**

			<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>									
			PD	0.00	306,929,536	771,302,700	116,652,393	1,194,884,629	
			<b>Total</b>	<b>0.00</b>	<b>306,929,536</b>	<b>771,302,700</b>	<b>116,652,393</b>	<b>1,194,884,629</b>	
<b>DEPARTMENT CORE REQUEST</b>									
			PD	0.00	306,929,536	771,302,700	116,652,393	1,194,884,629	
			<b>Total</b>	<b>0.00</b>	<b>306,929,536</b>	<b>771,302,700</b>	<b>116,652,393</b>	<b>1,194,884,629</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>									
Core Reallocation	1788 1783		PD	0.00	16,776,871	0	0	16,776,871	Reallocate from Physicians to Managed Care and CHIP from FQHC/RHC interim payments included in Capitation rates
Core Reallocation	1788 1784		PD	0.00	0	28,965,341	0	28,965,341	Reallocate from Physicians to Managed Care and CHIP from FQHC/RHC interim payments included in Capitation rates
Core Reallocation	1991 1784		PD	0.00	0	(16,088,046)	0	(16,088,046)	
Core Reallocation	1991 1783		PD	0.00	(9,318,277)	0	0	(9,318,277)	
Core Reallocation	1996 1784		PD	0.00	0	(9,419,796)	0	(9,419,796)	
Core Reallocation	1996 1783		PD	0.00	(5,455,993)	0	0	(5,455,993)	
Core Reallocation	2043 1783		PD	0.00	4,461,383	0	0	4,461,383	
Core Reallocation	2043 1784		PD	0.00	0	(4,461,383)	0	(4,461,383)	
Core Reallocation	2131 7166		PD	0.00	0	0	15,000,000	15,000,000	



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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES**

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**MANAGED CARE**

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**5. CORE RECONCILIATION DETAIL**

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				Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reallocation	2131	1783	PD		0.00	(15,000,000)	0	0	(15,000,000)	
<b>NET GOVERNOR CHANGES</b>					<b>0.00</b>	<b>(8,536,016)</b>	<b>(1,003,884)</b>	<b>15,000,000</b>	<b>5,460,100</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				PD	0.00	298,393,520	770,298,816	131,652,393	1,200,344,729	
				<b>Total</b>	<b>0.00</b>	<b>298,393,520</b>	<b>770,298,816</b>	<b>131,652,393</b>	<b>1,200,344,729</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MANAGED CARE</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	6,748,819	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	6,748,819	0.00	0	0.00	0	0.00	0	0.00
PROGRAM DISTRIBUTIONS	1,124,438,564	0.00	1,194,884,629	0.00	1,194,884,629	0.00	1,200,344,729	0.00
TOTAL - PD	1,124,438,564	0.00	1,194,884,629	0.00	1,194,884,629	0.00	1,200,344,729	0.00
<b>GRAND TOTAL</b>	<b>\$1,131,187,383</b>	<b>0.00</b>	<b>\$1,194,884,629</b>	<b>0.00</b>	<b>\$1,194,884,629</b>	<b>0.00</b>	<b>\$1,200,344,729</b>	<b>0.00</b>
GENERAL REVENUE	\$315,740,296	0.00	\$306,929,536	0.00	\$306,929,536	0.00	\$298,393,520	0.00
FEDERAL FUNDS	\$710,596,955	0.00	\$771,302,700	0.00	\$771,302,700	0.00	\$770,298,816	0.00
OTHER FUNDS	\$104,850,132	0.00	\$116,652,393	0.00	\$116,652,393	0.00	\$131,652,393	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Managed Care**

**Program is found in the following core budget(s): Managed Care**

### 1. What does this program do?

The MO HealthNet Division operates an HMO-style managed care program, MO HealthNet Managed Care. MO HealthNet Managed Care health plans contract with the state and are paid a monthly capitation payment for providing services for each enrollee. Participation in MO HealthNet Managed Care is mandatory for certain MO HealthNet eligibility groups within the regions in operation. The mandatory groups are: MO HealthNet for Families-Adults and Children; MO HealthNet for Children; Refugees; MO HealthNet for Pregnant Women; Children in State Care and Custody; and Children's Health Insurance Program (CHIP). Those participants who receive Supplemental Security Income (SSI), meet the SSI medical disability definition, or get adoption subsidy benefits may stay in MO HealthNet Managed Care or may choose to receive services on a fee-for-service basis. The MO HealthNet Managed Care program has been operating in the Eastern Region since September 1, 1995, in the Central Region since March 1, 1996, and in the Western Region since January 1, 1997. Effective January 1, 2008 the state introduced the MO HealthNet Managed Care program in seventeen counties contiguous to the existing three MO HealthNet Managed Care regions.

The MO HealthNet Managed Care program is subject to an approved federal 1915(b) waiver, which expires June 30, 2016, and an approved CHIP State Plan Amendment. These include a cost projection and a budget neutrality projection. An independent evaluation of the MO HealthNet Managed Care program is required with respect to access to care and quality of services that must be submitted to the Centers for Medicare and Medicaid Services. At the end of the waiver period or at prescribed intervals within the waiver period, the state must demonstrate that their waiver cost projections and budget neutrality projections are reasonable and consistent with statute, regulation and guidance.

Objectives of the MO HealthNet Managed Care program include cost effectiveness, quality of care, contract compliance, and member satisfaction.

Services: In MO HealthNet Managed Care most enrollees receive all the services that the fee-for-service program offers. Examples of services included in the capitation payment paid to health plans are: hospital; physician; emergency medical services; EPSDT services; family planning services; dental; optical; audiology; personal care; and mental health services. Certain services are provided on a fee-for-service basis outside of the capitation payment such as pharmacy services, transplants, and school-based therapy. Department of Health and Senior Services testing services (tests on newborns), certain mental health services, including ICF/MR, community psychiatric rehabilitation services, CSTAR services, smoking cessation, and mental health services for children in care and custody are also offered on a fee-for-service basis.

Improvements Over Fee-For-Service: MO HealthNet Managed Care gives MO HealthNet participants a number of advantages over traditional fee-for-service MO HealthNet. Each MO HealthNet Managed Care participant chooses a MO HealthNet Managed Care health plan and a primary care provider from within the network of the health plan. Managed Care participants are guaranteed access to primary care and other services as needed.

MO HealthNet Managed Care health plans must ensure that routine exams are scheduled within thirty days, urgent care within twenty-four hours, and emergency services must be available at all times. MO HealthNet Managed Care health plans must ensure that children receive all EPSDT exams (complete physicals on a regular schedule), are fully immunized, and receive any medically necessary service. MO HealthNet Managed Care health plans are required to provide case management to ensure that enrollee services, especially children's and pregnant women's, are properly coordinated.

MO HealthNet Managed Care provides the means to control costs, but more importantly provides the means to ensure access, manage and coordinate benefits, and monitor quality of care and outcomes.

**Quality Assessment:** The purpose of quality assessment is to assess the quality of services in the MO HealthNet Managed Care program. Quality assessment utilizes a variety of methods and tools to measure outcomes of services provided. The goal is to monitor health care services provided to MO HealthNet Managed Care members by the MO HealthNet Managed Care health plans, and comply with federal, state and contract requirements. The MO HealthNet Managed Care health plans must meet program standards for quality improvement, systems, member services, provider services, recordkeeping, organizational structure, adequacy of personnel, access standards, and data reporting as outlined in the MO HealthNet Managed Care contracts. Quality assessment measures are taken from the Healthcare Effectiveness Data Information Set (HEDIS) and other internally developed measurements. HEDIS is a strong public/private effort that includes a standardized set of measures to assess and encourage the continual improvement in the quality of health care. Specifically, Medicaid HEDIS includes additional quality and access measures which respond more directly to needs of women and children who make up the majority of MO HealthNet Managed Care participants. HEDIS is intended to be used collaboratively by the state agency and the MO HealthNet Managed Care health plans to:

- ◆ Provide the state agency with information on the performance of the contracted MO HealthNet Managed Care health plans;
- ◆ Assist health plans in quality improvement efforts;
- ◆ Support emerging efforts to inform MO HealthNet clients about managed care plan performance; and
- ◆ Promote standardization of health plan reporting across the public and private sectors.

An annual report is provided with significant outcomes measured including the following:

- ◆ Member complaints and grievances including actions taken and reasons for members changing MO HealthNet Managed Care health plans;
- ◆ Utilization review including inpatient/outpatient visits for both physical and mental health;
- ◆ Outcome indicators such as diabetes, asthma, low birth weight and mortality;
- ◆ EPSDT activities (children's health services) such as the number of well child visits provided;
- ◆ Prenatal activities and services provided; and
- ◆ Behavioral Health activities and services provided.

**National Committee for Quality Assurance (NCQA) Accreditation:** Effective October 1, 2011, the Managed Care health plans must be NCQA accredited at a level of "accredited" or better for the MO HealthNet product. The MCOs must maintain such accreditation thereafter and throughout the duration of the contract. The state of Missouri will require all future MO HealthNet Managed Care contractors to be NCQA accredited.

**Contract Compliance:** Along with quality assessment, monitoring MO HealthNet Managed Care health plan compliance to contractual requirements is a primary method to measure whether the goals of managed care are being met. Contractual compliance monitoring begins with the issuance of the Request for Proposal (RFP) and continues throughout the contract. Contract compliance is measured through a variety of methods. The MO HealthNet Division has a relationship with the Missouri Department of Insurance, Financial Institutions and Professional Registration to analyze MO HealthNet Managed Care health plan provider networks in accordance with 20 CSR 400-7.095 to ensure that the network is adequate to meet the needs of enrollees.

**Member Satisfaction:** Member satisfaction with the MO HealthNet Managed Care health plans is another method for measuring success of the MO HealthNet Managed Care program. An initial measurement is how many members actually choose their MO HealthNet Managed Care health plan versus MO HealthNet assigning them to MO HealthNet Managed Care health plans. MO HealthNet Managed Care has a high voluntary choice percentage. Since the inception of the MO HealthNet Managed Care program, approximately 11.5% of enrollees are randomly assigned. Reporting has been developed to continuously monitor how many participants initially choose their MO HealthNet Managed Care health plans as well as which health plans are chosen. Other reporting monitors participants' transfer requests among MO HealthNet Managed Care health plans to identify health plans that have particular problems keeping their participants. MO HealthNet also looks at the number of calls coming into our participant and provider hotlines to assess problem areas with health plans. MO HealthNet Managed Care health plans submit enrollee satisfaction data to the Department of Health and Senior Services in accordance with 19 CSR 10-5.010.

**Managed Care Rebid:** MO HealthNet recently awarded contracts to three health plans to provide services in the three MO HealthNet Managed Care regions. The new contracts were effective July 1, 2012 and include two one-year renewal periods. The Managed Care contract will be rebid during SFY 15 with an effective date of July 1, 2015.

**Managed Care Rate History:** MO HealthNet needs to maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. Federal Regulation 42 CFR 438-Managed Care and State Authority 208.166 require capitation payments made on behalf of managed care participants be actuarially

sound. Following are the prior year Managed Care Actuarial Increases: FY 2010 \$66,701,815; FY 2011 No Increase; FY 2012 \$72,840,071; FY 2013 No Increase; FY 2014 \$52,666,128.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.166; Federal law: Social Security Act Sections 1902(a)(4), 1903(m), 1915(b), 1932; Federal Regulations: 42 CFR 438 and 412.106.

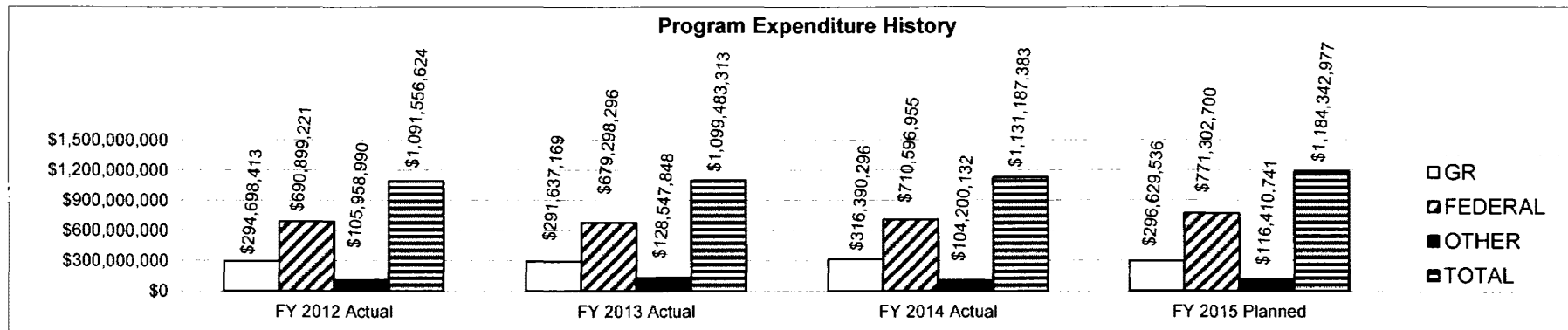
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is a blended 63.095% federal match. The state matching requirement is 36.905%.

**4. Is this a federally mandated program? If yes, please explain.**

MO HealthNet Managed Care covers most services available to fee-for-service participants. As such, both mandatory and non-mandatory services are included. Services not included in MO HealthNet Managed Care are available on a fee-for-service basis.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



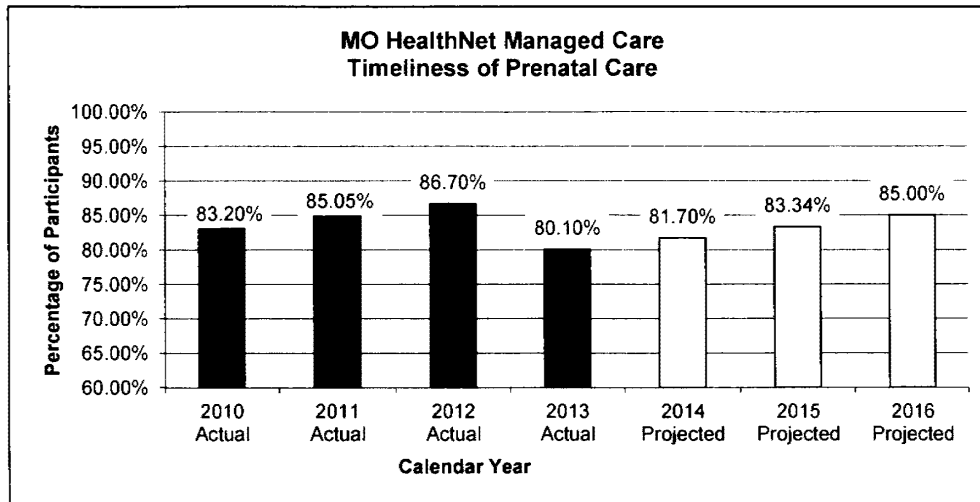
FY15 planned is net of reverted. Reverted: \$241,652 Other Funds . Restricted: \$10,300,000 GR.

**6. What are the sources of the "Other" funds?**

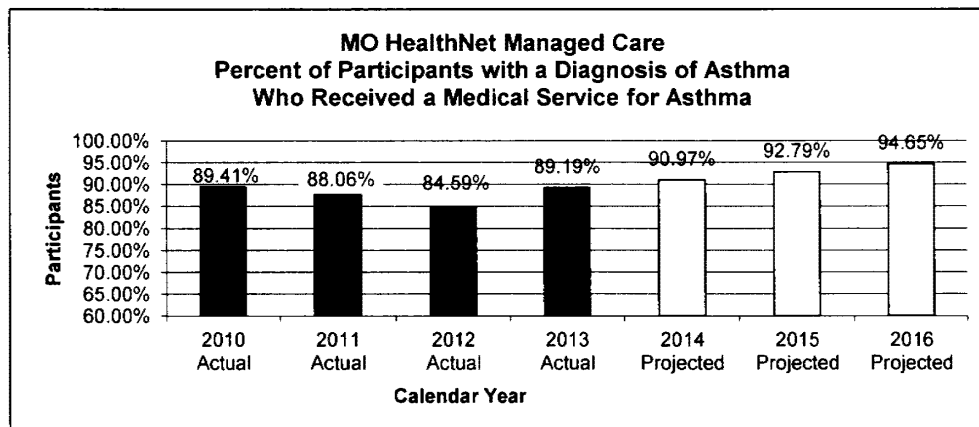
Federal Reimbursement Allowance Fund (0142), Mo HealthNet Managed Care Org Fund (0160), Health Initiatives Fund (0275), Healthy Families Trust (0625) and for FY 11 through FY 15, Life Sciences Research Trust Fund (0763), Ambulance Service Reimbursement Fund (0958).

**7a. Provide an effectiveness measure.**

Prenatal care is important for monitoring the progress of pregnancy and to identify risk factors for the mother or baby before they become serious and lead to poor outcomes and more expensive health care costs. The diagnosis and treatment of chronic conditions also reduces more expensive health care costs that could result when conditions are left untreated.



**Effectiveness Measure 1:** Increase the percentage of women receiving early prenatal care. The percentage of women who received prenatal care within the first trimester or within 42 days of enrollment in a health plan was 80.10% in 2013.

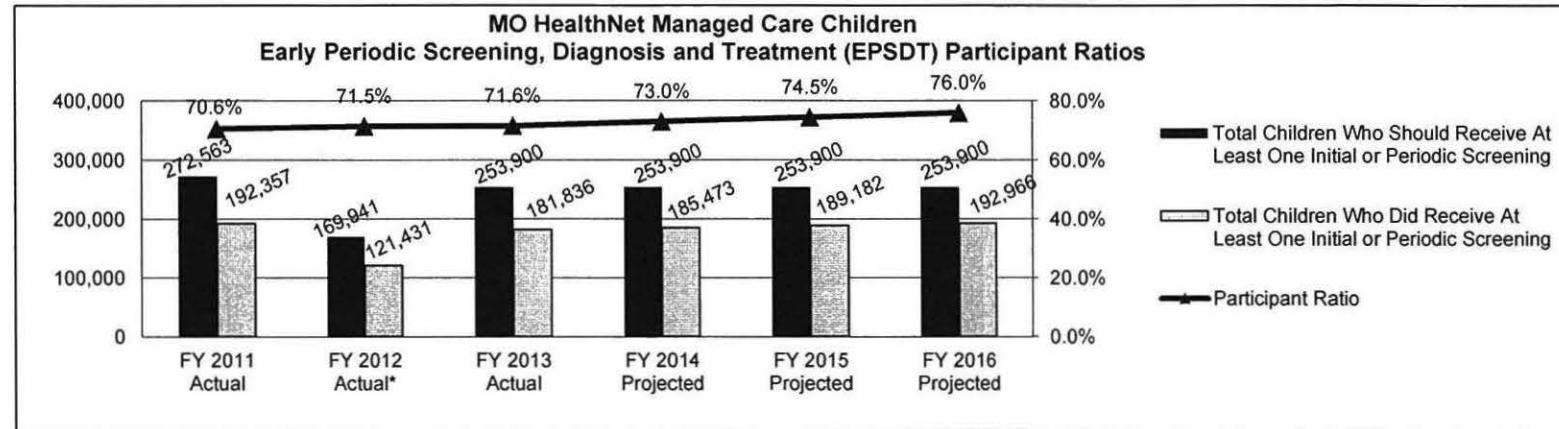


**Effectiveness Measure 2:** Increase the percentage of participants with chronic conditions who receive treatment for their condition. The percentage of participants with a diagnosis of asthma who received a medical service for asthma was 89.19% in 2013.

**7b. Provide an efficiency measure.**

The Early Periodic Screening, Diagnosis and Treatment (EPSDT) program is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening. The chart below does not include CHIP children.

Efficiency Measure: Increase the ratio of children who receive an EPSDT service.

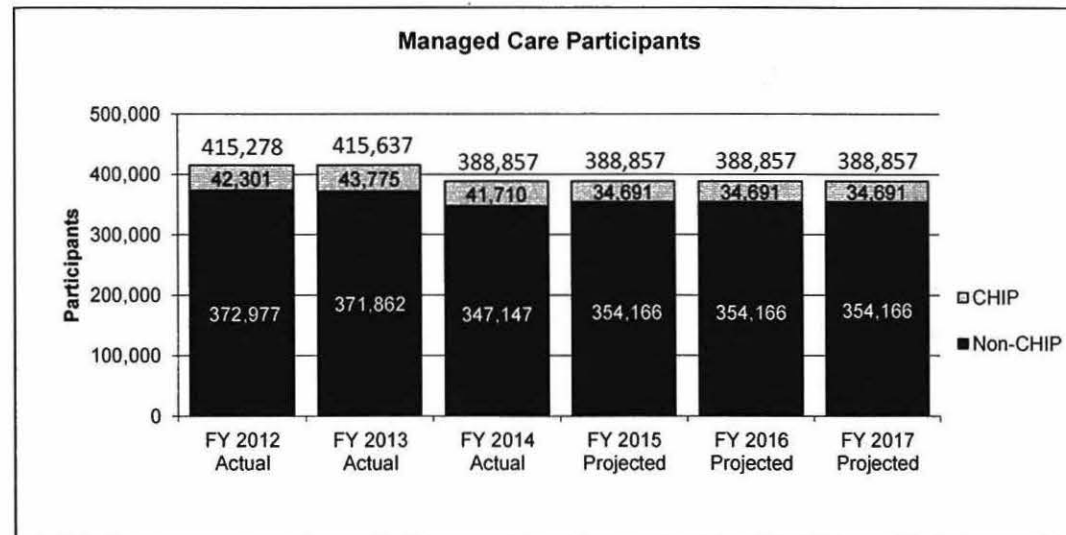


\* FY2012 Actual - The Total Eligibles and Screenings are under-reported for the population due to discontinuation of three health plans and the addition of one health plan in the middle of the reporting year.

**7c. Provide the number of clients/individuals served, if applicable.**

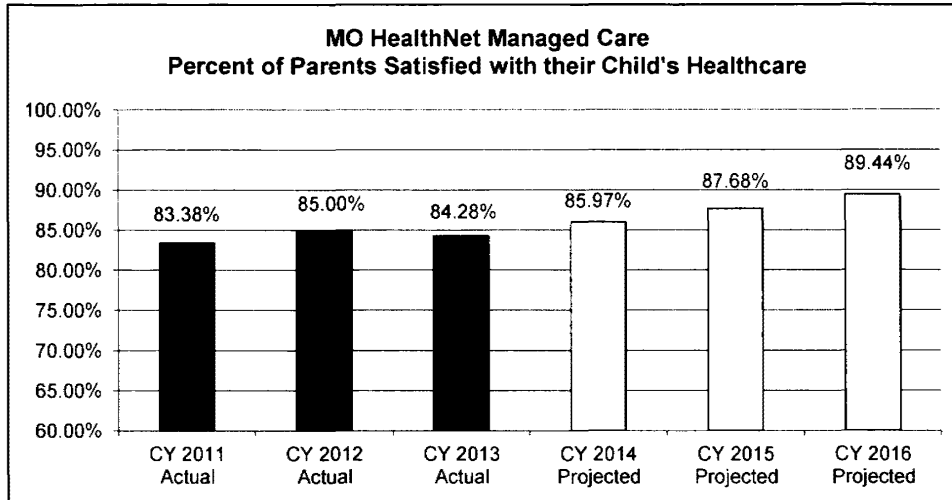
Participation in MO HealthNet Managed Care for those areas of the state where it is available is mandatory for these eligibility categories:

- \* MO HealthNet for Families;
- \* MO HealthNet for Kids;
- \* Refugees;
- \* MO HealthNet for Pregnant Women;
- \* Children in state care and custody; and
- \* CHIP.



**7d. Provide a customer satisfaction measure, if available.**

When parents were asked if they were satisfied with the health care their child received through their MO HealthNet Managed Care plan, over 84% responded that they were satisfied in 2013.



Customer Satisfaction Measure: Increase the percentage of parents who were satisfied with the health care their child received through MO HealthNet Managed Care.



**NEW DECISION ITEM  
RANK: 26**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: Ambulance Federal Reimb Allowance Fund Increase**

**Budget Unit: 90551C**  
**DI#: 1886027**

**1. AMOUNT OF REQUEST**

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD			522,459	522,459
TRF				
Total	0	0	522,459	522,459

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Ambulance Federal Reimbursement Allowance Fund (0958)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			522,459	522,459
Total			522,459	522,459

FTE

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Increase Authority	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

Based on projected MO HealthNet expenditures for fiscal year 2016, it is anticipated that additional appropriation authority will be necessary to operate the MO HealthNet Ambulance Reimbursement Allowance Fund within the Managed Care program in FY16. The estimated appropriation shortfall is \$522,459.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Based on FY 2016 projections additional authority is needed as follows:

	GR	Other	Total
<b>Estimated Shortfalls</b>			
Manged Care-Ambulance Federal		\$522,459	\$522,459
Reimbursement Allowance			
Need	\$0	\$522,459	\$522,459

The Governor recommended this request.

<b>5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.</b>									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
<b>Total PS</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>
<b>Total EE</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
Program Distributions							0		
<b>Total PSD</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
Transfers	0				522,459		522,459		
<b>Total TRF</b>	<b>0</b>		<b>0</b>		<b>522,459</b>		<b>522,459</b>		<b>0</b>
<b>Grand Total</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>522,459</b>	<b>0.0</b>	<b>522,459</b>	<b>0.0</b>	<b>0</b>

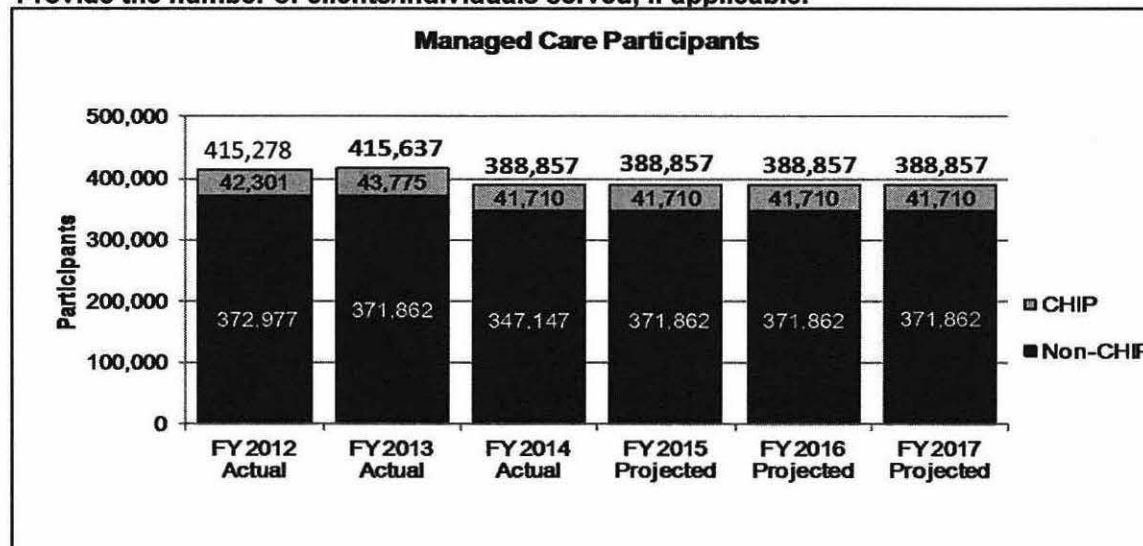
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
<b>Total PS</b>	0	0.0	0	0.0	0	0.0	0	0.0	0
<b>Total EE</b>	0		0		0		0		0
Program Distributions									
<b>Total PSD</b>	0		0		0		0		0
Transfers					522,459		522,459		
<b>Total TRF</b>	0		0		<b>522,459</b>		<b>522,459</b>		0
<b>Grand Total</b>	0	0.0	0	0.0	<b>522,459</b>	0.0	<b>522,459</b>	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

6a. Provide an effectiveness measure.  
N/A

6b. Provide an efficiency measure.  
N/A

6c. Provide the number of clients/individuals served, if applicable.



6d. Provide a customer satisfaction measure, if available.  
N/A

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MANAGED CARE</b>								
AFRA Increase - 1886027								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	522,459	0.00	522,459	0.00
TOTAL - PD	0	0.00	0	0.00	522,459	0.00	522,459	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$522,459</b>	<b>0.00</b>	<b>\$522,459</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$522,459	0.00	\$522,459	0.00



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>HOSPITAL CARE</b>									
<b>CORE</b>									
<b>EXPENSE &amp; EQUIPMENT</b>									
GENERAL REVENUE	367,389	0.00	0	0.00	0	0.00	0	0.00	0.00
TITLE XIX-FEDERAL AND OTHER	2,617,909	0.00	215,000	0.00	215,000	0.00	215,000	0.00	0.00
UNCOMPENSATED CARE FUND	56,704	0.00	0	0.00	0	0.00	0	0.00	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	757,943	0.00	215,000	0.00	215,000	0.00	215,000	0.00	0.00
HEALTH INITIATIVES	512,338	0.00	0	0.00	0	0.00	0	0.00	0.00
TOTAL - EE	4,312,283	0.00	430,000	0.00	430,000	0.00	430,000	0.00	0.00
<b>PROGRAM-SPECIFIC</b>									
GENERAL REVENUE	66,966,668	0.00	24,175,818	0.00	23,907,762	0.00	29,956,265	0.00	0.00
TITLE XIX-FEDERAL AND OTHER	487,797,701	0.00	511,979,850	0.00	511,521,566	0.00	520,348,852	0.00	0.00
UNCOMPENSATED CARE FUND	33,791,732	0.00	33,848,436	0.00	33,848,436	0.00	33,848,436	0.00	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	176,206,522	0.00	175,585,755	0.00	175,585,755	0.00	175,585,755	0.00	0.00
PHARMACY REIMBURSEMENT ALLOWAN	9,426	0.00	15,709	0.00	15,709	0.00	15,709	0.00	0.00
HEALTH INITIATIVES	8,362,876	0.00	9,171,007	0.00	0	0.00	4,884,066	0.00	0.00
HEALTHY FAMILIES TRUST	0	0.00	40,365,444	0.00	40,365,444	0.00	40,365,444	0.00	0.00
PREMIUM	11,338,429	0.00	4,488,050	0.00	4,488,050	0.00	4,488,050	0.00	0.00
TOTAL - PD	784,473,354	0.00	799,630,069	0.00	789,732,722	0.00	809,492,577	0.00	0.00
<b>TOTAL</b>	<b>788,785,637</b>	<b>0.00</b>	<b>800,060,069</b>	<b>0.00</b>	<b>790,162,722</b>	<b>0.00</b>	<b>809,922,577</b>	<b>0.00</b>	<b>0.00</b>
<b>Medicaid CTC - 1886018</b>									
<b>PROGRAM-SPECIFIC</b>									
GENERAL REVENUE	0	0.00	0	0.00	6,775,256	0.00	5,167,450	0.00	0.00
TOTAL - PD	0	0.00	0	0.00	6,775,256	0.00	5,167,450	0.00	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>6,775,256</b>	<b>0.00</b>	<b>5,167,450</b>	<b>0.00</b>	<b>0.00</b>
<b>HIF GR Pickup - 1886019</b>									
<b>PROGRAM-SPECIFIC</b>									

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## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOSPITAL CARE</b>								
HIF GR Pickup - 1886019								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	9,171,007	0.00	4,286,941	0.00
TOTAL - PD	0	0.00	0	0.00	9,171,007	0.00	4,286,941	0.00
TOTAL	0	0.00	0	0.00	9,171,007	0.00	4,286,941	0.00
<b>GRAND TOTAL</b>	<b>\$788,785,637</b>	<b>0.00</b>	<b>\$800,060,069</b>	<b>0.00</b>	<b>\$806,108,985</b>	<b>0.00</b>	<b>\$819,376,968</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Hospital Care

Budget Unit: 90552C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE		215,000	215,000	430,000
PSD	23,907,762	511,521,566	254,303,394	789,732,722
TRF				
<b>Total</b>	<b>23,907,762</b>	<b>511,736,566</b>	<b>254,518,394</b>	<b>790,162,722</b>

FTE

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (UCF) (0108)  
Federal Reimbursement Allowance Fund (FRA) (0142)  
Health Initiatives Fund (HIF) (0275)  
Healthy Families Trust Fund (0625)  
Pharmacy Reimbursement Allowance (0144)  
Premium Fund (0885)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE		215,000	215,000	430,000
PSD	29,956,265	520,348,852	259,187,460	809,492,577
TRF				
<b>Total</b>	<b>29,956,265</b>	<b>520,563,852</b>	<b>259,402,460</b>	<b>809,922,577</b>

FTE

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (UCF) (0108)  
Federal Reimbursement Allowance Fund (FRA) (0142)  
Health Initiatives Fund (HIF) (0275)  
Healthy Families Trust Fund (0625)  
Pharmacy Reimbursement Allowance (0144)  
Premium Fund (0885)

## 2. CORE DESCRIPTION

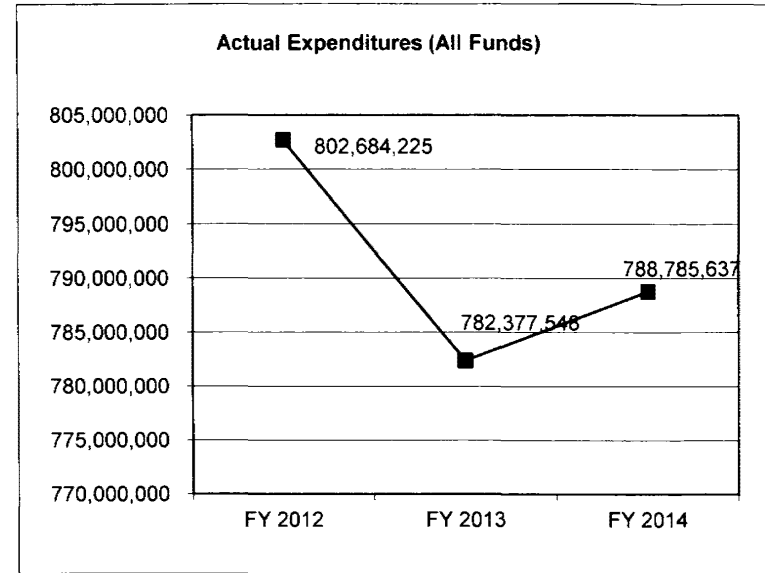
This core request is for ongoing funding to reimburse hospitals for services provided to fee-for-service MO HealthNet participants. Funding for this core is used to Maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation.

## 3. PROGRAM LISTING (list programs included in this core funding)

Inpatient and Outpatient hospital services.

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	848,745,804	810,751,203	854,125,189	800,060,069
Less Reverted (All Funds)	(83,915)	(275,130)	(275,130)	N/A
Budget Authority (All Funds)	848,661,889	810,476,073	853,850,059	N/A
Actual Expenditures (All Funds)	802,684,225	782,377,548	788,785,637	N/A
Unexpended (All Funds)	45,977,664	28,098,525	65,064,422	N/A
Unexpended, by Fund:				
General Revenue	106,901	0	3,501,885	N/A
Federal	43,949,429	28,096,475	20,473,087	N/A
Other	1,921,334	2,050	41,089,450	N/A
	(1)		(2)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

**(1)** FY12 Expenditures of \$1,668,924 were paid from Supplemental Pool. Appropriation and expended amounts includes GME and Safety Net Payments.

Lapse is for the FRA and federal share of trauma payments that DSS could not make (no earnings to support).

**(2)** FY14 Supplemental budget of \$30,365,444 GR. Agency Reserves of \$100,000 Federal and \$40,386,106 Other Funds due to cash shortfall.

#### 4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	Hospital PMPM	Acute Care PMPM	Total PMPM	Hospital Percentage of Acute	Hospital Percentage of Total
PTD	\$394.99	\$1,031.29	\$1,860.84	38.30%	21.23%
Seniors	\$64.50	\$363.32	\$1,541.27	17.75%	4.18%
Custodial Parents	\$96.62	\$468.91	\$495.28	20.61%	19.51%
Children*	\$44.25	\$276.10	\$307.93	16.03%	14.37%
Pregnant Women	\$197.81	\$596.36	\$609.11	33.17%	32.48%

Source: Table 23 Medical Statistics for FY 14. (Paid Claims Data)  
 \* CHIP eligibles not included

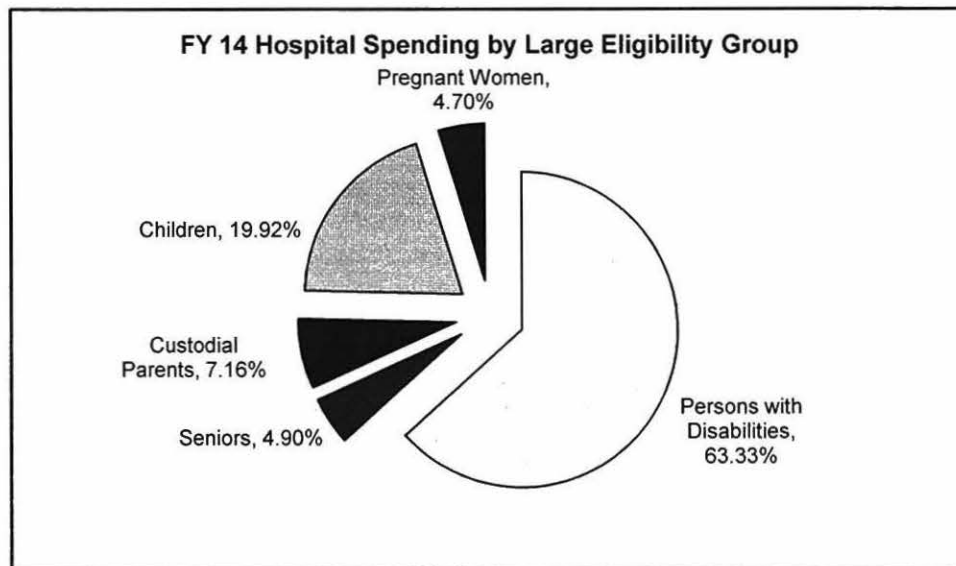
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet (MHD) management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for hospital care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the hospital PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for hospitals. It provides a snapshot of what eligibility groups are receiving hospital services as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for FY 14. (Paid Claims Data)

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**HOSPITAL CARE**

**5. CORE RECONCILIATION DETAIL**

			<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>									
			EE	0.00	0	215,000	215,000	430,000	
			PD	0.00	24,175,818	511,979,850	263,474,401	799,630,069	
			<b>Total</b>	<b>0.00</b>	<b>24,175,818</b>	<b>512,194,850</b>	<b>263,689,401</b>	<b>800,060,069</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>									
Core Reduction	1645 3073	PD	0.00	0	0	(9,171,007)	(9,171,007)		Reduction of empty authority in HIF fund
Core Reallocation	1690 6471	PD	0.00	0	(458,284)	0	(458,284)		Core reallocation to Physician Services for Helath Homes.
Core Reallocation	1690 1432	PD	0.00	(268,056)	0	0	(268,056)		Core reallocation to Physician Services for Helath Homes.
<b>NET DEPARTMENT CHANGES</b>				<b>0.00</b>	<b>(268,056)</b>	<b>(458,284)</b>	<b>(9,171,007)</b>	<b>(9,897,347)</b>	
<b>DEPARTMENT CORE REQUEST</b>									
			EE	0.00	0	215,000	215,000	430,000	
			PD	0.00	23,907,762	511,521,566	254,303,394	789,732,722	
			<b>Total</b>	<b>0.00</b>	<b>23,907,762</b>	<b>511,736,566</b>	<b>254,518,394</b>	<b>790,162,722</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>									
Core Reduction	1645 3073	PD	0.00	0	0	4,884,066	4,884,066		Reduction of empty authority in HIF fund
Core Reallocation	1998 6471	PD	0.00	0	9,419,796	0	9,419,796		
Core Reallocation	1998 1432	PD	0.00	5,455,993	0	0	5,455,993		
Core Reallocation	2044 6471	PD	0.00	0	(592,510)	0	(592,510)		

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES**

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**HOSPITAL CARE**

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**5. CORE RECONCILIATION DETAIL**

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			Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>									
Core Reallocation	2044	1432	PD	0.00	592,510	0	0	592,510	
<b>NET GOVERNOR CHANGES</b>				<b>0.00</b>	<b>6,048,503</b>	<b>8,827,286</b>	<b>4,884,066</b>	<b>19,759,855</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>									
			EE	0.00	0	215,000	215,000	430,000	
			PD	0.00	29,956,265	520,348,852	259,187,460	809,492,577	
<b>Total</b>				<b>0.00</b>	<b>29,956,265</b>	<b>520,563,852</b>	<b>259,402,460</b>	<b>809,922,577</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOSPITAL CARE</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	4,311,808	0.00	430,000	0.00	430,000	0.00	430,000	0.00
MISCELLANEOUS EXPENSES	475	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	4,312,283	0.00	430,000	0.00	430,000	0.00	430,000	0.00
PROGRAM DISTRIBUTIONS	784,473,354	0.00	799,630,069	0.00	789,732,722	0.00	809,492,577	0.00
TOTAL - PD	784,473,354	0.00	799,630,069	0.00	789,732,722	0.00	809,492,577	0.00
<b>GRAND TOTAL</b>	<b>\$788,785,637</b>	<b>0.00</b>	<b>\$800,060,069</b>	<b>0.00</b>	<b>\$790,162,722</b>	<b>0.00</b>	<b>\$809,922,577</b>	<b>0.00</b>
GENERAL REVENUE	\$67,334,057	0.00	\$24,175,818	0.00	\$23,907,762	0.00	\$29,956,265	0.00
FEDERAL FUNDS	\$490,415,610	0.00	\$512,194,850	0.00	\$511,736,566	0.00	\$520,563,852	0.00
OTHER FUNDS	\$231,035,970	0.00	\$263,689,401	0.00	\$254,518,394	0.00	\$259,402,460	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Hospital Care**

**Program is found in the following core budget(s): Hospital Care**

### **1. What does this program do?**

Hospital Care provides payment for inpatient and outpatient hospital services for MO HealthNet fee-for-service participants.

Hospital services, both inpatient and outpatient, are an essential part of a health care delivery system. These services are mandatory Medicaid covered services and are provided statewide. Hospital services have been part of the MO HealthNet program since November 1967. MO HealthNet inpatient hospital services are medical services provided in a hospital acute or psychiatric care setting for the care and treatment of MO HealthNet participants.

MO HealthNet outpatient hospital services include preventive, diagnostic, emergency, therapeutic, rehabilitative or palliative services provided in an outpatient setting. Examples of outpatient services are emergency room services, physical therapy, ambulatory surgery, or any service or procedure performed prior to admission.

Providers - To participate in the MO HealthNet fee-for-service program, hospitals must first meet certain requirements. Hospitals must be licensed and certified by the Missouri Department of Health and Senior Services for participation in the Title XVIII Medicare program. If the hospital is located out-of-state, the hospital must be licensed by that state's Department of Health or similar agency. If a state does not have a licensing agency, the hospital must be accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO). In addition, the hospital must complete a Title XIX Medicaid Participation Agreement/Questionnaire, a MO HealthNet enrollment application and the Self-Evaluation for Compliance (MOA-10). The application of enrollment must be approved by the Department of Social Services, Missouri Medicaid Audit and Compliance Unit (MMAC).

MO HealthNet Reimbursement - Reimbursement for inpatient hospital stays is determined by a prospective reimbursement plan implemented in FY 82. The plan provides for an inpatient hospital reimbursement rate based on the 1995 cost report to reimburse for inpatient stays in accordance with a specified admission diagnosis.

When a per diem reimbursement rate is established for each hospital, MO HealthNet pays the lesser of: 1) the number of days assigned by the utilization review agent; 2) the number of days billed as covered services; or 3) the Professional Activity Study (PAS) limitation for any diagnosis not subject to review by the utilization review agent.

A hospital is eligible for a special per diem rate increase if it meets prescribed requirements concerning new inpatient health services or new hospital construction.

Outpatient services, excluding certain diagnostic laboratory procedures and radiology procedures, are paid on a prospective outpatient reimbursement methodology. The prospective outpatient payment percentage is calculated using the MO HealthNet overall outpatient cost-to-charge ratio from the fourth, fifth and sixth prior base year cost reports regressed to the current state fiscal year. The prospective outpatient payment percentage cannot exceed 100% and cannot be less than 20%. New MO HealthNet providers that do not have fourth, fifth and sixth prior year cost reports will be set at 75% for the first three fiscal years in which the hospital operates and will have a cost settlement calculated for these years. A prospective outpatient rate will then be calculated and used for the fourth and subsequent years of operation. The weighted average prospective outpatient rate is 29% for FY 15.

Other Reimbursement to Hospitals - Hospitals may also receive reimbursement using funding from the Federal Reimbursement Allowance (FRA) program. The FRA program is a funding source for inpatient and outpatient services. It is also a funding source for MO HealthNet Managed Care, the Women's Health Services, and CHIP programs. These programs provide payments for the cost of providing care to MO HealthNet participants and the uninsured.

Under the FRA program, hospitals pay a federal reimbursement allowance (i.e. provider tax) for the privilege of doing business in the state. The assessment is a percentage levied against both net hospital inpatient revenue and net hospital outpatient revenue. The assessment rate for FY 2015 is 5.95%. The net inpatient and net outpatient revenues are determined from the hospitals' Medicare/Medicaid cost reports that are filed annually with the MO HealthNet Division. The MO HealthNet Division uses funds generated from the FRA program as the equivalent of General Revenue funds. The funds are distributed to the hospitals through a combination of payments.

The payments include funding for: inpatient per diem payments; outpatient payments; and add-on payments such as direct Medicaid payments, uninsured (DSH), and utilization add-on payments (only applies to Safety Net hospitals and Children's Hospitals).

The method of reimbursing hospitals for the add-on payments is different depending on if they are a safety net hospital or a disproportionate share hospital (DSH). The DSH hospitals are classified as either first tier, second tier, or other DSH depending on the result of an analysis of annual hospital cost reports.

DSH Criteria:

1. If the facility offered nonemergency obstetric services as of December 31, 1987, there must be at least 2 obstetricians with staff privileges who have agreed to provide obstetric services to MO HealthNet participants. Rural hospitals, as defined by the federal Executive Office of Management and Budget, may qualify any physician with staff privileges as an obstetrician. This section does not apply to hospitals either with inpatients predominantly under 18 years of age or which did not offer nonemergency obstetric services as of December 31, 1987; and
2. The hospital meets one of the following:
  - a. The MO HealthNet inpatient utilization rate is at least one standard deviation above the state's mean MO HealthNet inpatient utilization rate for all Missouri hospitals; or
  - b. The utilization of services by low-income clients is greater than 25% of their total utilization.
3. The hospital meets one of the following:
  - a. The unsponsored care ratio is at least 10%; or
  - b. The hospital is ranked in the top 15 hospitals based on MO HealthNet patient days and their MO HealthNet nursery and neonatal utilization is greater than 35% of the hospital's total nursery and neonatal utilization; or
  - c. At least 9% of the hospital's MO HealthNet days are provided in the hospital's neonatal unit.
4. The hospital annually provides more than 5,000 Title XIX days of care and the Title XIX nursery days represent more than 50% of the hospital's total nursery days.
5. The hospital does not meet the requirements set forth in paragraphs 1 - 4 above, but has a Medicaid inpatient utilization percentage of at least 1% for Medicaid eligible participants.

A hospital's DSH designation depends on which of the above criteria it meets:

1. 1st Tier DSH -- The hospital meets the criteria in paragraphs 1 and 3;
2. 2nd Tier DSH -- The hospital meets the criteria in paragraphs 1 and 2 or paragraphs 1 and 4;
3. Other DSH -- The hospital meets the criteria in paragraph 5.

A hospital can qualify as a safety net hospital if:

1. It meets the criteria set forth above in paragraphs 1 and 2 above; and,
2. It meets one of the following criteria:
  - a. The unsponsored care (charity care) ratio is at least 65% and is licensed for less than 50 inpatient beds; or
  - b. The unsponsored care ratio is at least 65% and is licensed for 50 inpatient beds or more and has an occupancy rate of more than 40%; or
  - c. It is operated by the Board of Curators as defined in chapter 172 RSMo; or
  - d. It is operated by the Department of Mental Health.

For a more detailed description of the FRA program see the FRA narrative.



**Trends** - Elderly persons and persons with disabilities are the highest users of health care services and costliest population per capita. These two populations represent 28% of all Medicaid eligibles and represent 66% of all expenditures. Persons with disabilities are the primary users of hospital services. This group accounts for 44% of fee-for-service hospital users and 62% of fee-for-service hospital expenditures. The elderly are 9% of fee-for-service hospital users and 4% of fee-for-service hospital expenditures. (FY 14 numbers will be available in October 2014)

Certification of inpatient hospital stays to assure clinical appropriateness is used to control costs. Most of the certifications are requested on-line using CyberAccess, while some are done via telephone with a utilization review agent. Admission and continued stay certifications are performed for all fee-for-service MO HealthNet participants admitted to acute care hospitals except for certain pregnancy, delivery and newborn diagnoses, and for participants who are eligible for both Medicare and MO HealthNet. The certifications are done to ensure that hospital admission and each day of inpatient care are medically necessary. The certification may be performed prior to admission or post admission, but must take place prior to discharge.

In July 2010, the MO HealthNet Division, in conjunction with Xerox (formerly ACS-Heritage) and MedSolutions (MSI), implemented a quality-based Radiology Benefit Management Program (RBM). The RBM requires pre-certifications for high-tech radiology procedures including MRIs and CTs of the brain, head, chest and spine. The RBM works to determine clinical appropriateness of the usage of high-tech radiology services and cardiac imaging, and provides guidelines for application and use based on expert information and evidence-based data. Pre-certification requests are reviewed using nationally accepted clinical guidelines. These guidelines are used to ensure the appropriate scope, complexity and clinical need of the tests that will be performed.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);

Federal regulations: 42 CFR 440.10 and 440.20

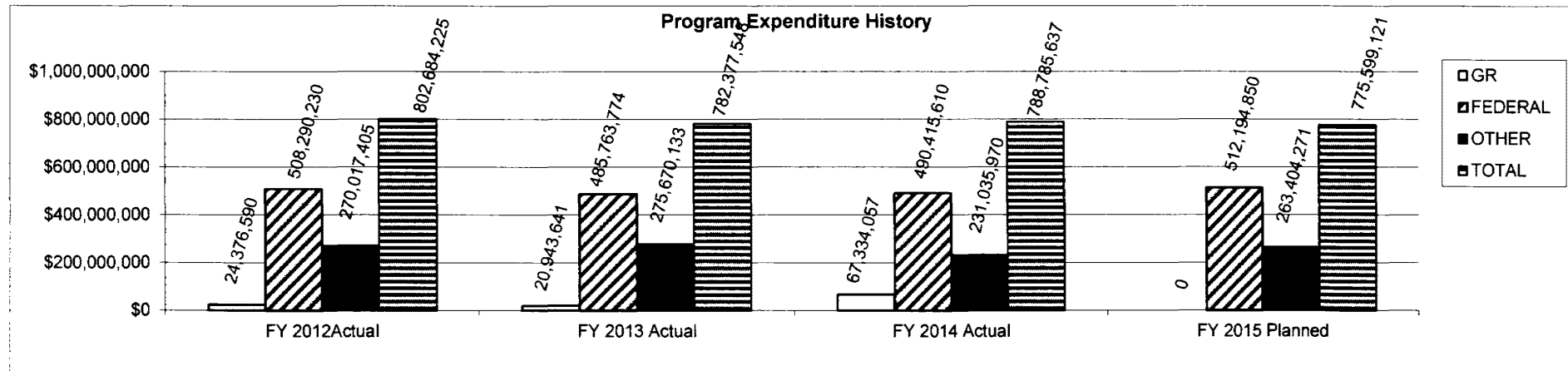
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is a blended 63.095% federal match. The state matching requirement is 36.905%.

**4. Is this a federally mandated program? If yes, please explain.**

Yes, if the state elects to have a Medicaid program.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



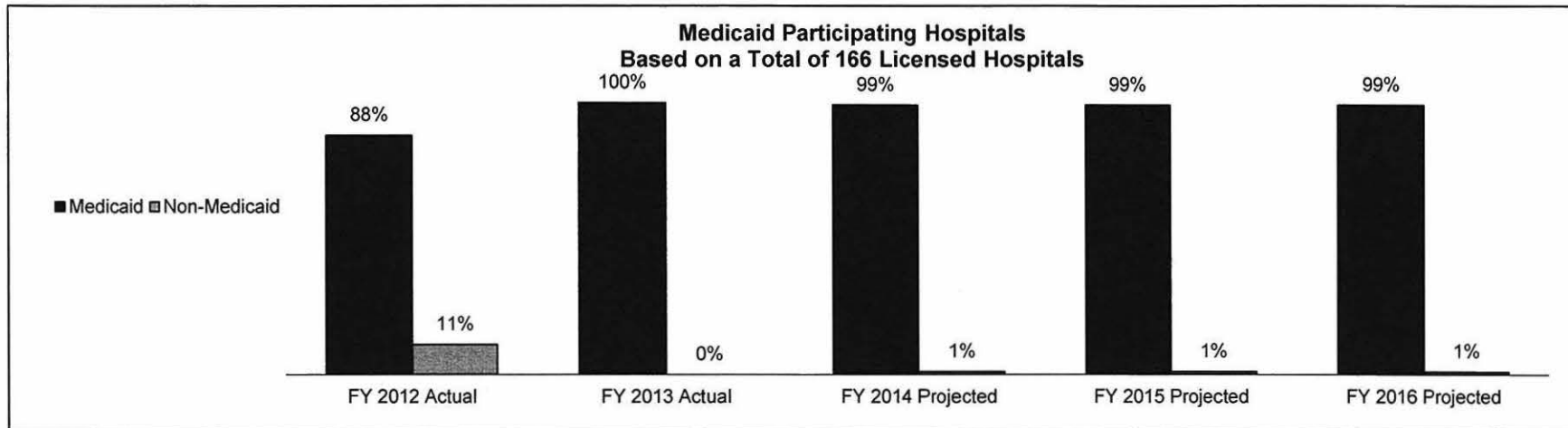
FY 2015 is net of reverted and reserved. Reverted: \$275,130 Other Funds. Reserved: \$10,000 Other Funds Restricted: \$24,175,818 GR.

**6. What are the sources of the "Other " funds?**

Uncompensated Care Fund (0108), Federal Reimbursement Allowance Fund (0142), Health Initiatives Fund (0275), Third Party Liability Collections Fund (0120), Healthy Families Trust Fund (0625) and Pharmacy Reimbursement Allowance Fund (0144), Premium Fund (0885)

**7a. Provide an effectiveness measure.**

Provide reimbursement that is sufficient to ensure hospitals enroll in the MO HealthNet program. In SFY 2013, 100% of licensed hospitals in the state participated in the MO HealthNet program.

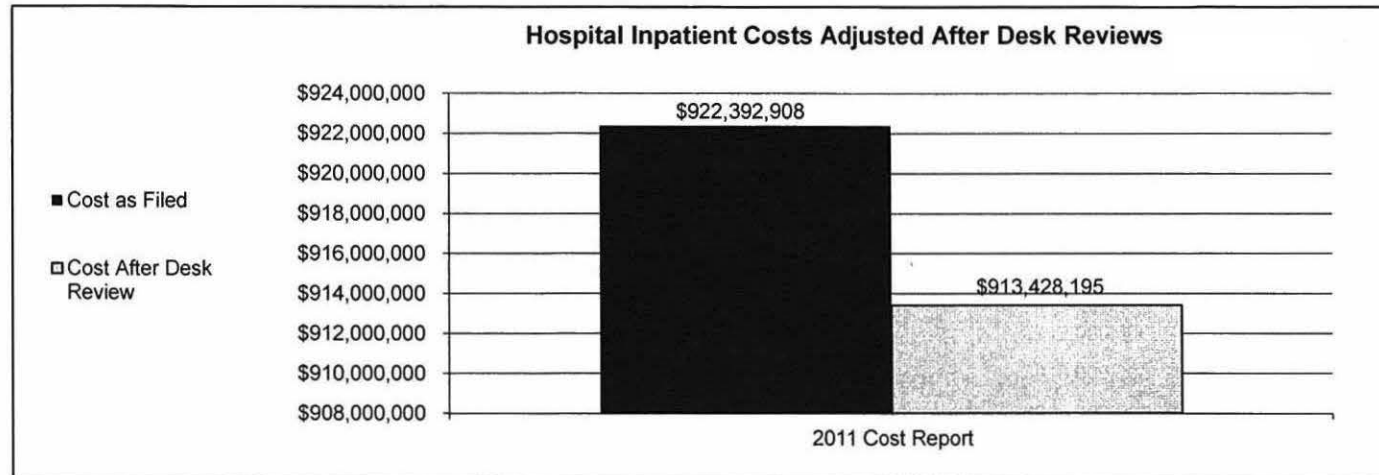


Inpatient and outpatient services are available to all fee-for-service MO HealthNet participants. In those regions of the state where Managed Care has been implemented participants have hospital services available through the Managed Care health plans

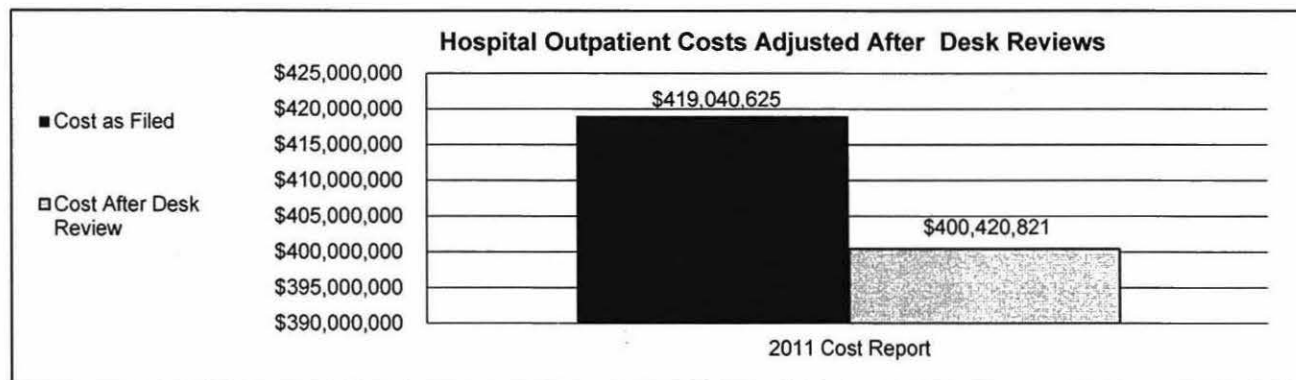
SFY	No. of Inpatient Days		No. of Outpatient Services	
	Projected	Actual	Projected	Actual
2011		699,182		12,143,969
2012	773,304	668,881	12,568,000	13,729,908
2013	682,380	641,191	14,279,000	15,126,479
2014	641,191		15,126,479	
2015	641,191		15,126,479	
2016	641,191		15,126,479	

**7b. Provide an efficiency measure.**

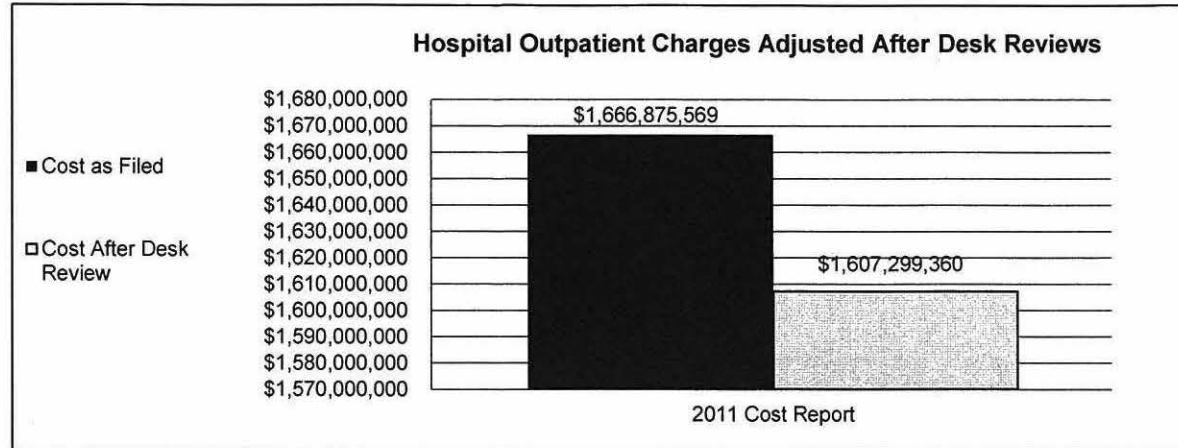
Ensure hospital inpatient Medicaid costs included in determining MO HealthNet inpatient reimbursement rates are allowable by performing desk reviews of the providers cost reports. During the 2011 fiscal year cost report desk reviews, over \$8 million of hospital costs were disallowed as a result of MHD desk reviews.



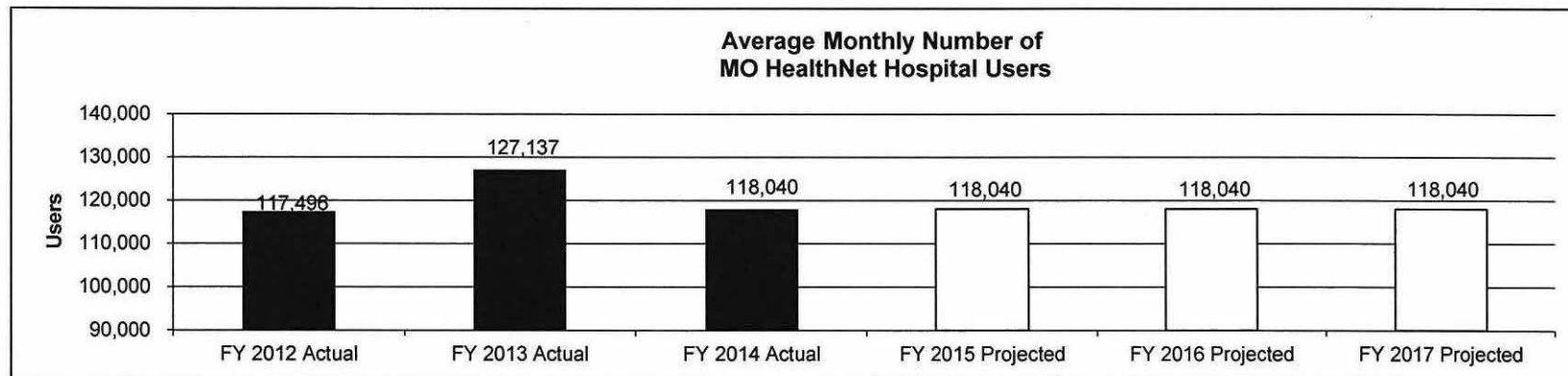
Ensure hospital outpatient Medicaid costs included in determining MO HealthNet outpatient reimbursement rates are allowable by performing desk reviews of the providers cost reports. During the 2011 fiscal year desk reviews, over \$18 million of hospital costs were disallowed as a result of MHD desk reviews.



Ensure hospital outpatient Medicaid charges included in determining MO HealthNet outpatient reimbursement rates are allowable by performing desk reviews of the providers cost reports. During the 2011 fiscal year, over \$59 million of hospital charges were disallowed as a result of MHD desk reviews. Note: Not all of the cost reports for 2011 had been desk reviewed as of the date this information was provided.



**7c. Provide the number of clients/individuals served, if applicable.**



**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHYSICIAN PAYMENTS SAFETY NET</b>								
<b>CORE</b>								
<b>PROGRAM-SPECIFIC</b>								
TITLE XIX-FEDERAL AND OTHER	5,556,315	0.00	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00
TOTAL - PD	5,556,315	0.00	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00
<b>TOTAL</b>	<b>5,556,315</b>	<b>0.00</b>	<b>8,000,000</b>	<b>0.00</b>	<b>8,000,000</b>	<b>0.00</b>	<b>8,000,000</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$5,556,315</b>	<b>0.00</b>	<b>\$8,000,000</b>	<b>0.00</b>	<b>\$8,000,000</b>	<b>0.00</b>	<b>\$8,000,000</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Physician Payments for Safety Net

Budget Unit: 90558C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD		8,000,000		8,000,000
TRF				
Total		8,000,000		8,000,000

FTE

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD		8,000,000		8,000,000
TRF				
Total		8,000,000		8,000,000

FTE

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

## 2. CORE DESCRIPTION

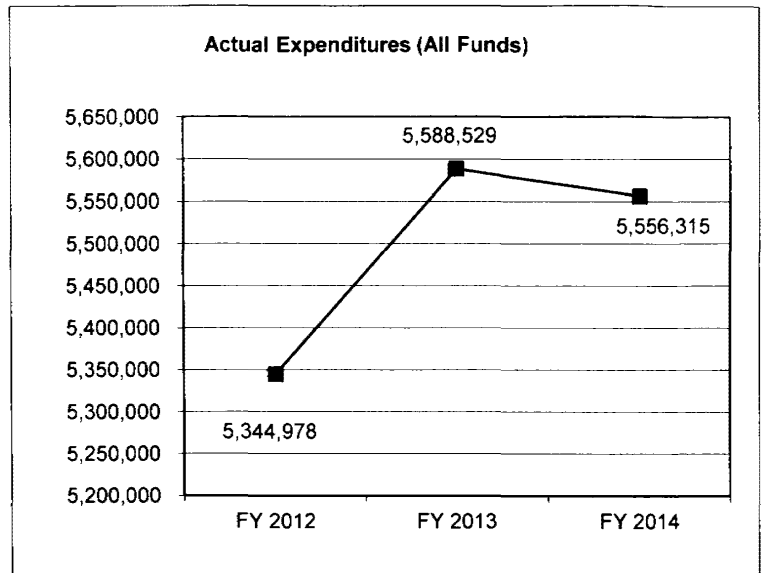
Safety Net hospitals are critical providers of care to the Medicaid and uninsured populations and must be able to attract and maintain a sufficient supply of qualified physicians in order to provide quality services. This core provides funding for enhanced payments to Truman Medical Center Physicians and University of Missouri-Kansas City Physicians.

## 3. PROGRAM LISTING (list programs included in this core funding)

Physician Payments for Safety Net

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	8,000,000	8,000,000	8,000,000	8,000,000
Less Reverted (All Funds)			0	N/A
Budget Authority (All Funds)	8,000,000	8,000,000	8,000,000	N/A
Actual Expenditures (All Funds)	5,344,978	5,588,529	5,556,315	N/A
Unexpended (All Funds)	2,655,022	2,411,471	2,443,685	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	2,655,022	2,411,471	2,443,685	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY 12 Lapse of \$2,655,022 in excess federal authority.

(2) FY 13 Lapse of \$2,411,471 in excess federal authority.

(3) FY 14 Lapse of \$2,443,685 in excess federal authority.



**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**PHYSICIAN PAYMENTS SAFETY NET**

**5. CORE RECONCILIATION DETAIL**

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>							
	PD	0.00	0	8,000,000	0	8,000,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>8,000,000</b>	<b>0</b>	<b>8,000,000</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	PD	0.00	0	8,000,000	0	8,000,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>8,000,000</b>	<b>0</b>	<b>8,000,000</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	PD	0.00	0	8,000,000	0	8,000,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>8,000,000</b>	<b>0</b>	<b>8,000,000</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHYSICIAN PAYMENTS SAFETY NET								
CORE								
PROGRAM DISTRIBUTIONS	5,556,315	0.00	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00
TOTAL - PD	5,556,315	0.00	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00
GRAND TOTAL	\$5,556,315	0.00	\$8,000,000	0.00	\$8,000,000	0.00	\$8,000,000	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$5,556,315	0.00	\$8,000,000	0.00	\$8,000,000	0.00	\$8,000,000	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department:** Social Services

**Program Name:** Physician Payments for Safety Net

**Program is found in the following core budget(s):** Physician Payments for Safety Net

### **1. What does this program do?**

Provides enhanced physician reimbursement payments for services provided to MO HealthNet participants by hospitals designated as safety net hospitals. Safety net hospitals traditionally see a high volume of Medicaid and uninsured patients. This program was established to provide a funding mechanism to enhance payments to these hospitals.

Safety Net hospitals are critical providers of care to the Medicaid and uninsured populations and must be able to attract and maintain a sufficient supply of qualified physicians in order to provide quality services. Enhanced payments are made to Truman Medical Center Physicians and University of Missouri-Kansas City Physicians. Appropriated funding is based on the following projections:

Enhanced Payment for Truman Medical Center Physicians	\$3,000,000
Enhanced Payment for University of Missouri-Kansas City Physicians	\$5,000,000

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);

Federal regulations: 42 CFR 440.10 and 440.20

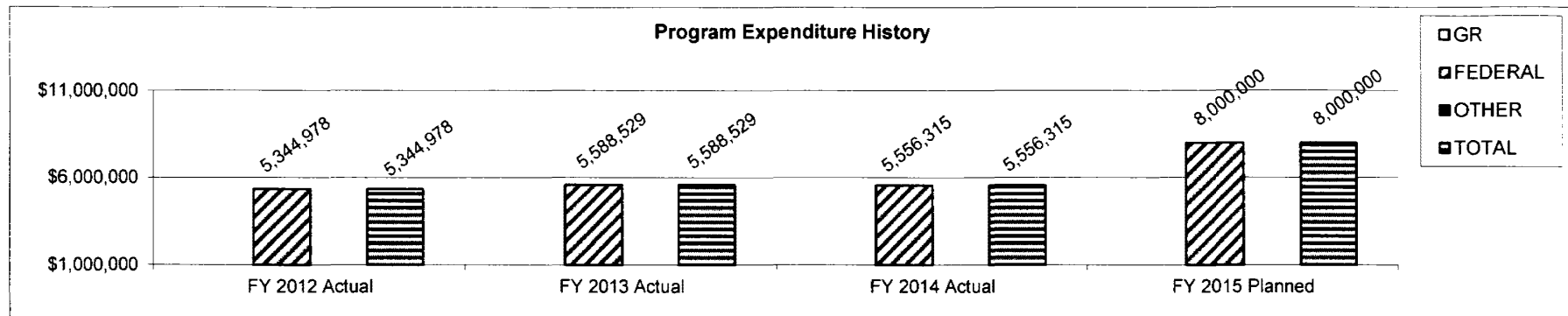
### **3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is a blended 63.095% federal match. The state matching requirement is 36.905%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

### **4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

N/A

**7a. Provide an effectiveness measure.**

FY 14 Comparison of Enhanced Reimbursement to Fee Schedule Rates			
Facility	Actual Reimbursement	Reimbursement Based on Fee Schedule	Enhanced Reimbursement
Truman Medical Center	\$ 2,408,995	\$ 1,416,395	\$ 992,600
University of Missouri-Kansas City	\$ 8,757,238	\$ 3,881,502	\$ 4,875,737

**7b. Provide an efficiency measure.**

FY 14 Participating Physicians	
Truman Medical Center	87
University of Missouri-Kansas City	214

**7c. Provide the number of clients/individuals served, if applicable.**

FY 14 MO HealthNet Participants Served	
Truman Medical Center	8,867
University of Missouri-Kansas City	11,043

**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>FQHC DISTRIBUTION</b>								
<b>CORE</b>								
<b>PROGRAM-SPECIFIC</b>								
GENERAL REVENUE	1,455,000	0.00	6,819,459	0.00	6,819,459	0.00	3,881,259	0.00
TITLE XIX-FEDERAL AND OTHER	4,920,777	0.00	7,629,690	0.00	7,629,690	0.00	7,629,690	0.00
MO SENIOR SRVC PROTECTION FUND	3,171,900	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	9,547,677	0.00	14,449,149	0.00	14,449,149	0.00	11,510,949	0.00
<b>TOTAL</b>	<b>9,547,677</b>	<b>0.00</b>	<b>14,449,149</b>	<b>0.00</b>	<b>14,449,149</b>	<b>0.00</b>	<b>11,510,949</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$9,547,677</b>	<b>0.00</b>	<b>\$14,449,149</b>	<b>0.00</b>	<b>\$14,449,149</b>	<b>0.00</b>	<b>\$11,510,949</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Federally Qualified Health Centers (FQHC) Distribution

Budget Unit: 90559C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	6,819,459	7,629,690	0	14,449,149
TRF				
Total	<u>6,819,459</u>	<u>7,629,690</u>	<u>0</u>	<u>14,449,149</u>

FTE

<i>Est. Fringe</i>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	3,881,259	7,629,690		11,510,949
TRF				
Total	<u>3,881,259</u>	<u>7,629,690</u>	<u>0</u>	<u>11,510,949</u>

FTE

<i>Est. Fringe</i>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

## 2. CORE DESCRIPTION

This core request is to allow Federally Qualified Health Centers (FQHCs) to provide services in their facilities and improve access to health care for the uninsured and under-insured. Funding for this core is for equipment and infrastructure in the FQHC and to cover the expense of providing health care services in the FQHC setting. In addition, the core request is for funding payments for Health Home sites.

## 3. PROGRAM LISTING (list programs included in this core funding)

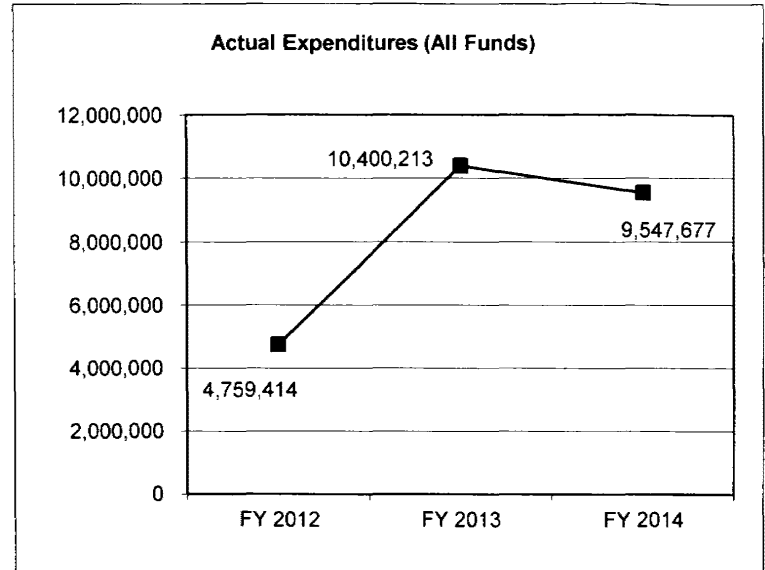
Federally Qualified Health Centers (FQHC)

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	13,020,000	14,820,000	15,570,000	14,449,149
Less Reverted (All Funds)	(120,600)	(120,600)	(45,000)	N/A
Budget Authority (All Funds)	12,899,400	14,699,400	15,525,000	N/A
Actual Expenditures (All Funds)	4,759,414	10,400,213	9,547,677	N/A
Unexpended (All Funds)	8,139,986	4,299,187	5,977,323	N/A
Unexpended, by Fund:				
General Revenue	481,069	0	98,100	N/A
Federal	7,658,917	4,299,187	5,879,223	N/A
Other	0	0	0	N/A

(1)

(2)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

(1) FY 13 Estimated appropriation or "E" status removed

(2) FY14 Agency reserve of \$5,700,000 Federal due to mid year FMAP revision from a 90/10 split to regular FMAP.



**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**FQHC DISTRIBUTION**

**5. CORE RECONCILIATION DETAIL**

		<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>								
		PD	0.00	6,819,459	7,629,690	0	14,449,149	
		<b>Total</b>	<b>0.00</b>	<b>6,819,459</b>	<b>7,629,690</b>	<b>0</b>	<b>14,449,149</b>	
<b>DEPARTMENT CORE REQUEST</b>								
		PD	0.00	6,819,459	7,629,690	0	14,449,149	
		<b>Total</b>	<b>0.00</b>	<b>6,819,459</b>	<b>7,629,690</b>	<b>0</b>	<b>14,449,149</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reduction	1894 4868	PD	0.00	(758,200)	0	0	(758,200)	Core reduction of a lapse in FQHC health home spending
Core Reduction	2004 4868	PD	0.00	(2,180,000)	0	0	(2,180,000)	
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>(2,938,200)</b>	<b>0</b>	<b>0</b>	<b>(2,938,200)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		PD	0.00	3,881,259	7,629,690	0	11,510,949	
		<b>Total</b>	<b>0.00</b>	<b>3,881,259</b>	<b>7,629,690</b>	<b>0</b>	<b>11,510,949</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
FQHC DISTRIBUTION								
CORE								
PROGRAM DISTRIBUTIONS	9,547,677	0.00	14,449,149	0.00	14,449,149	0.00	11,510,949	0.00
TOTAL - PD	9,547,677	0.00	14,449,149	0.00	14,449,149	0.00	11,510,949	0.00
GRAND TOTAL	\$9,547,677	0.00	\$14,449,149	0.00	\$14,449,149	0.00	\$11,510,949	0.00
GENERAL REVENUE	\$1,455,000	0.00	\$6,819,459	0.00	\$6,819,459	0.00	\$3,881,259	0.00
FEDERAL FUNDS	\$4,920,777	0.00	\$7,629,690	0.00	\$7,629,690	0.00	\$7,629,690	0.00
OTHER FUNDS	\$3,171,900	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department:** Social Services

**Program Name:** Federally Qualified Health Centers (FQHC) Distribution

**Program is found in the following core budget(s):** Federally Qualified Health Centers (FQHC) Distribution

### 1. What does this program do?

FQHCs are community health centers that provide comprehensive primary care to low-income and medically under-served urban and rural communities. Because of an inadequate number of providers, Missourians have found it difficult to find health care providers and are subject to lengthy postponements in receiving health care services. In rural areas, these issues are more pronounced as people must frequently travel to larger cities in order to receive necessary care. By equipping the FQHCs with infrastructure and personnel, the under-served population will have increased access to health care, especially in medically under-served areas.

Examples of how these grants help expand access to health care services for the low-income and uninsured include: 1) Supporting nontraditional hours of operation (weekend and special evening hours). FQHCs recognize that many Missourians do not have the luxury of accessing care during normal business hours. 2) Defraying the costs of caring for the uninsured. FQHCs are required to accept uninsured patients as they do insured patients. 3) Funding staff and infrastructure to provide services not usually accessible to FQHC patients such as dental services.

The Department of Social Services contracts with the Missouri Primary Care Association to act as a fiscal intermediary for the distribution of the FQHC grants, assuring accurate and timely payments to the subcontractors; and, as a central data collection point for evaluating program impact and outcomes. The Missouri Primary Care Association is recognized as Missouri's single primary care association by the Federal Health Resource Service Administration. The goals of the nation's Primary Care Associations are to partner in the development, maintenance and improvement of access to health care services, reducing disparities in health status between majority and minority populations.

The MO HealthNet Division of the Department of Social Services has implemented a Health Home provider program in accordance with Section 2703 of the Affordable Care Act of 2010. Health Home sites receive per-member-per-month (PMPM) payments for the additional services they are required to perform. Most of the primary care sites in the Health Home program are FQHC sites. The funding for the current FQHC distribution contract will be used as the state share for MO HealthNet primary care Health Home payments. These payments started in March 2012 for services performed in January 2012. In accordance with the state plan amendment approved by the Centers for Medicare and Medicaid Services (CMS), MO HealthNet granted 2% increases in the Health Home PMPM rates in 2013 and 2014. In state fiscal year 2015, MO HealthNet is seeking to expand the number of Health Home sites. Many of the new sites will be FQHC sites.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.153, 208.201, 660.026; Federal law: Social Security Act Section 1905(a)(2); Federal regulation: 42 CFR 440.210

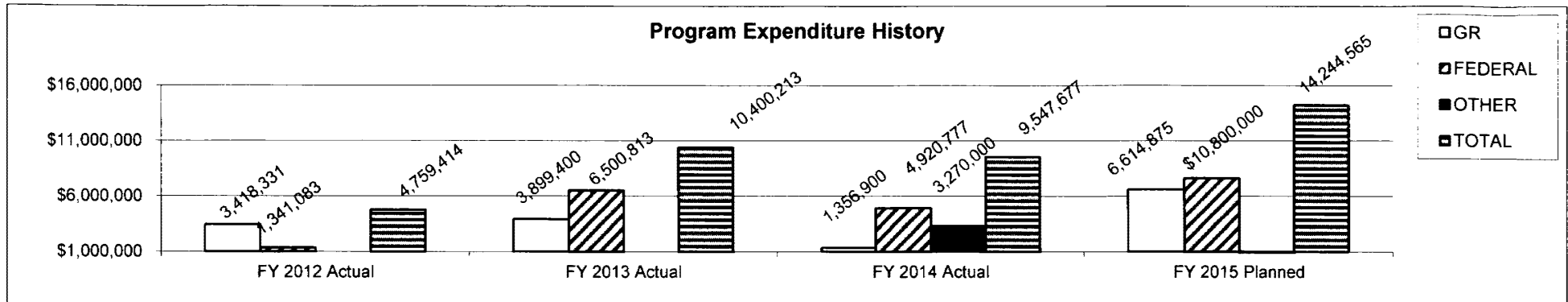
### 3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is a blended 63.095% federal match. The state matching requirement is 36.905%.

### 4. Is this a federally mandated program? If yes, please explain.

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



FY15: GR Reverted: \$204,584.

**6. What are the sources of the "Other " funds?**

MO Senior Services Protection Fund (0421) only through FY14.

**7a. Provide an effectiveness measure.**

State grants funded with this appropriation assist in leveraging funds from the Federal Bureau of Primary Health Care. The total amount of funds leveraged in calendar year 2013 was \$57,469,765.

Total Funds Leveraged for Missouri FQHCs	
Calendar Year	Total Economic Impact
2010	\$42,447,583
2011	\$46,710,464
2012	\$48,990,941
2013	\$57,469,765

Source: Bureau of Primary Health Care, [bphc.hrsa.gov](http://bphc.hrsa.gov)

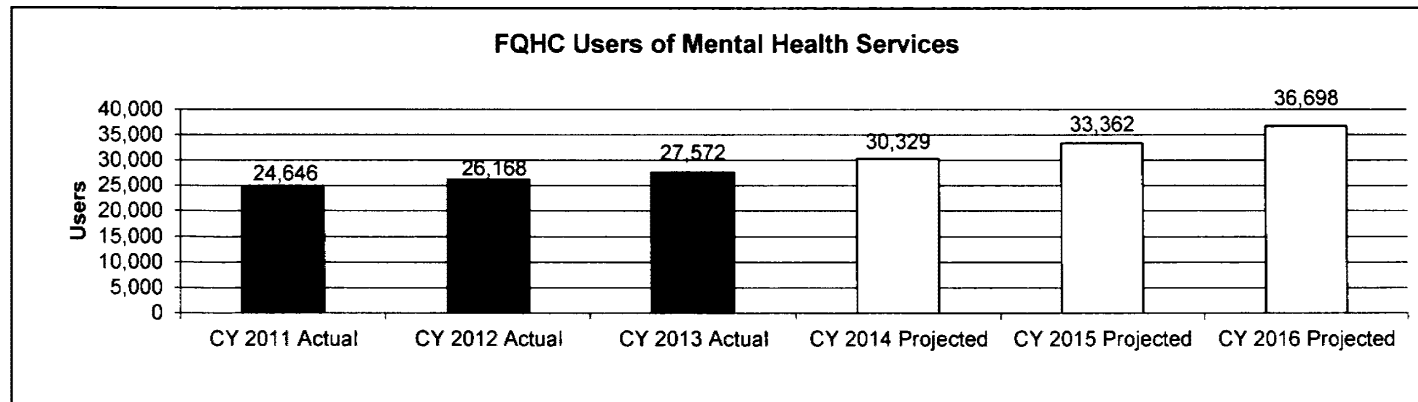
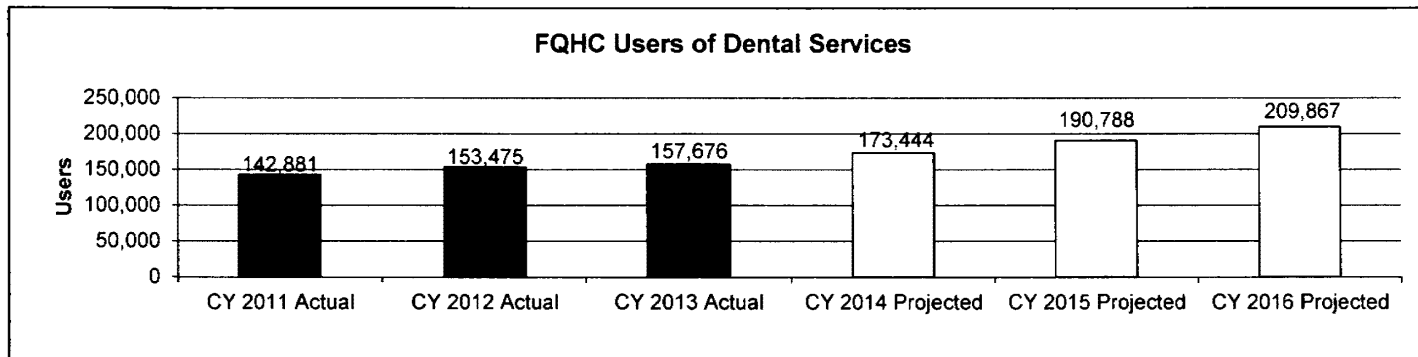
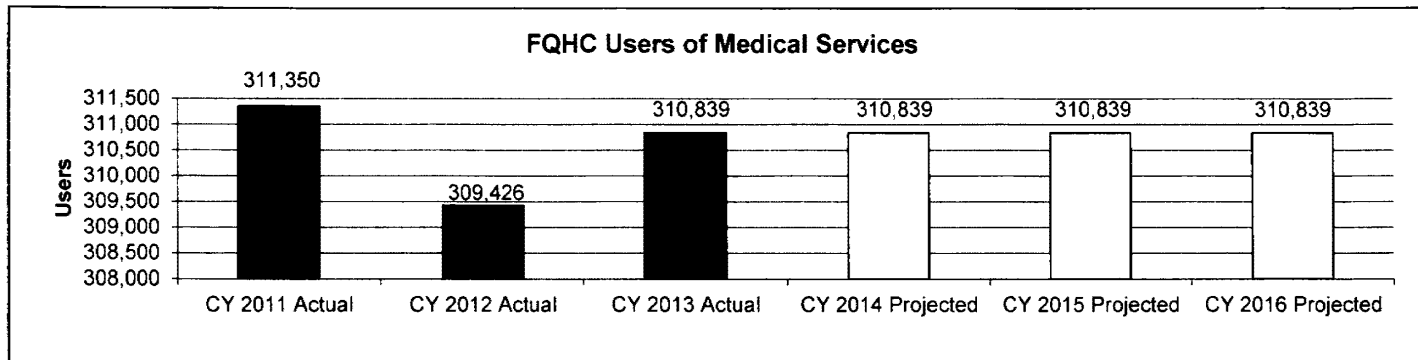
**7b. Provide an efficiency measure.**

FQHCs provide primary health care for the uninsured in their local communities. Missouri FQHCs provided primary health care to uninsured individuals in their local communities at a cost of \$685 per user in calendar year 2013.

Cost per User	
Calendar Year	Cost
2010	\$616
2011	\$632
2012	\$658
2013	\$685

Source: Bureau of Primary Health Care, [bphc.hrsa.gov](http://bphc.hrsa.gov)

**7c. Provide the number of clients/individuals served, if applicable.**



**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>FOSTER KIDS HEALTH HOME</b>									
<b>CORE</b>									
<b>PROGRAM-SPECIFIC</b>									
GENERAL REVENUE	0	0.00	250,000	0.00	250,000	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	2,250,000	0.00	2,250,000	0.00	0	0.00	
TOTAL - PD	0	0.00	2,500,000	0.00	2,500,000	0.00	0	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>2,500,000</b>	<b>0.00</b>	<b>2,500,000</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,500,000</b>	<b>0.00</b>	<b>\$2,500,000</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Foster Children Health Homes

Budget Unit: 90575C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	250,000	2,250,000		2,500,000
TRF				
Total	250,000	2,250,000		2,500,000
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	0	0		0
TRF				
Total	0	0	0	0
FTE				

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

## 2. CORE DESCRIPTION

This core request is to provide funding for a behavior health home pilot for children in foster care.

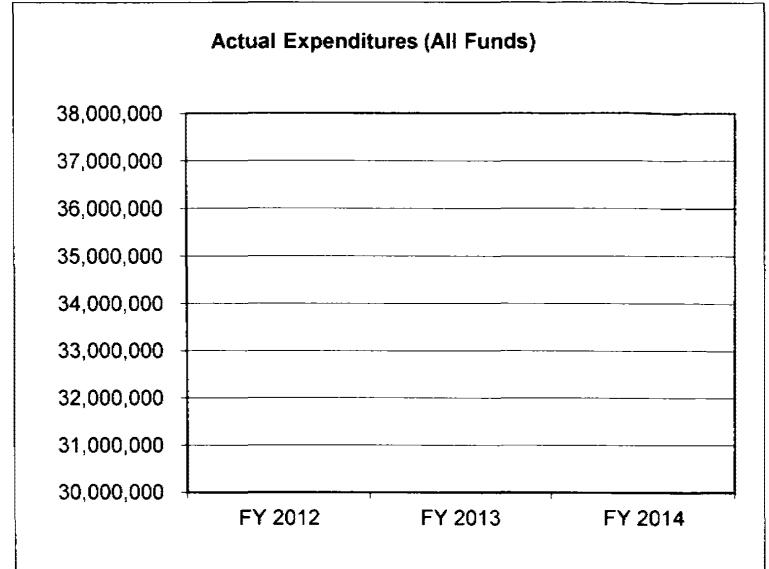
## 3. PROGRAM LISTING (list programs included in this core funding)

Community Health Access Programs (CHAPS)



#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	0	0	0	2,500,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES

### FOSTER KIDS HEALTH HOME

#### 5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>								
		PD	0.00	250,000	2,250,000	0	2,500,000	
		<b>Total</b>	<b>0.00</b>	<b>250,000</b>	<b>2,250,000</b>	<b>0</b>	<b>2,500,000</b>	
<b>DEPARTMENT CORE REQUEST</b>								
		PD	0.00	250,000	2,250,000	0	2,500,000	
		<b>Total</b>	<b>0.00</b>	<b>250,000</b>	<b>2,250,000</b>	<b>0</b>	<b>2,500,000</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reduction	1875 8986	PD	0.00	0	(2,250,000)	0	(2,250,000)	Core reduction of Foster Kids Health Home Pilot
Core Reduction	1875 8985	PD	0.00	(250,000)	0	0	(250,000)	Core reduction of Foster Kids Health Home Pilot
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>(250,000)</b>	<b>(2,250,000)</b>	<b>0</b>	<b>(2,500,000)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		PD	0.00	0	0	0	0	
		<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>FOSTER KIDS HEALTH HOME</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	0	0.00	2,500,000	0.00	2,500,000	0.00	0	0.00
TOTAL - PD	0	0.00	2,500,000	0.00	2,500,000	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,500,000</b>	<b>0.00</b>	<b>\$2,500,000</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$250,000	0.00	\$250,000	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$2,250,000	0.00	\$2,250,000	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Foster Children Health Homes

Program is found in the following core budget(s):

**1. What does this program do?**

The purpose the appropriation is for funding a medical and behavioral health home pilot project for children in foster care in the St. Louis region.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

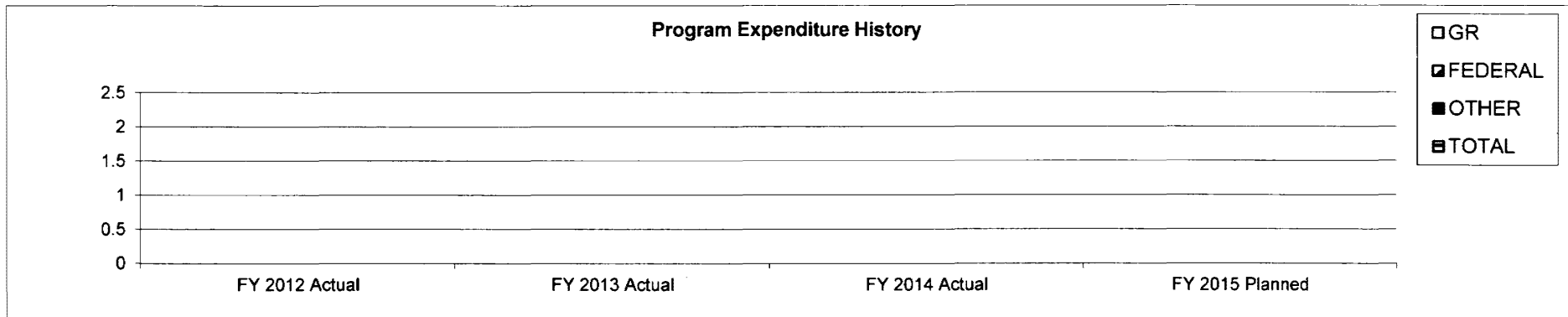
N/A

**3. Are there federal matching requirements? If yes, please explain.**

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



Planned FY 2015 expenditures are net of reserves

Reverted: \$250,000 GR, \$2,250,000 FF

**6. What are the sources of the "Other" funds?**

N/A

**7a. Provide an effectiveness measure.**

N/A

**7b. Provide an efficiency measure.**

N/A

**7c. Provide the number of clients/individuals served, if applicable.**

N/A

**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>ASTHMA SERVICES</b>									
<b>CORE</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	524,033	0.00	524,033	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	4,716,297	0.00	4,716,297	0.00	0	0.00	
TOTAL - PD	0	0.00	5,240,330	0.00	5,240,330	0.00	0	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>5,240,330</b>	<b>0.00</b>	<b>5,240,330</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$5,240,330</b>	<b>0.00</b>	<b>\$5,240,330</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Asthma Services

Budget Unit: 90575C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	524,033	4,716,297		5,240,330
TRF				
Total	<b>524,033</b>	<b>4,716,297</b>		<b>5,240,330</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	0	0		0
TRF				
Total	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

## 2. CORE DESCRIPTION

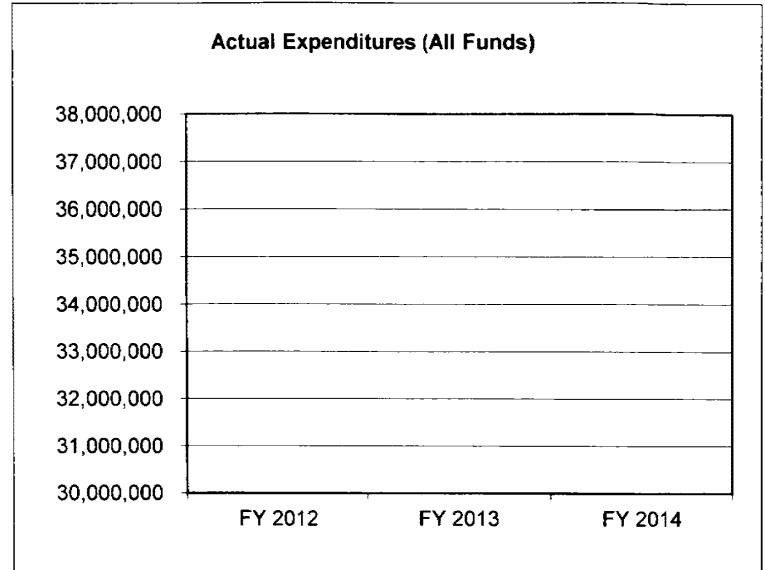
This core request is to provide funding for a asthma related services.

## 3. PROGRAM LISTING (list programs included in this core funding)

Community Health Access Programs (CHAPS)

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	0	0	0	5,240,330
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:



**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**ASTHMA SERVICES**

**5. CORE RECONCILIATION DETAIL**

		<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>								
		PD	0.00	524,033	4,716,297	0	5,240,330	
		<b>Total</b>	<b>0.00</b>	<b>524,033</b>	<b>4,716,297</b>	<b>0</b>	<b>5,240,330</b>	
<b>DEPARTMENT CORE REQUEST</b>								
		PD	0.00	524,033	4,716,297	0	5,240,330	
		<b>Total</b>	<b>0.00</b>	<b>524,033</b>	<b>4,716,297</b>	<b>0</b>	<b>5,240,330</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reduction	1876 8988	PD	0.00	0	(4,716,297)	0	(4,716,297)	Core reduction of Asthma Services
Core Reduction	1876 8987	PD	0.00	(524,033)	0	0	(524,033)	Core reduction of Asthma Services
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>(524,033)</b>	<b>(4,716,297)</b>	<b>0</b>	<b>(5,240,330)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		PD	0.00	0	0	0	0	
		<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>ASTHMA SERVICES</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	0	0.00	5,240,330	0.00	5,240,330	0.00	0	0.00
TOTAL - PD	0	0.00	5,240,330	0.00	5,240,330	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$5,240,330</b>	<b>0.00</b>	<b>\$5,240,330</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$524,033	0.00	\$524,033	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$4,716,297	0.00	\$4,716,297	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Asthma Services

Program is found in the following core budget(s):

1. What does this program do?

N/A

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

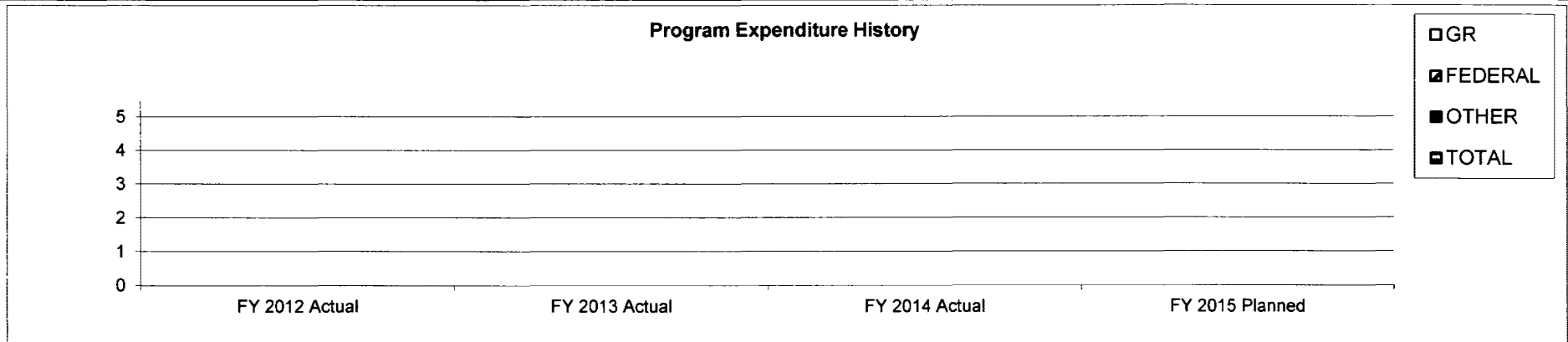
3. Are there federal matching requirements? If yes, please explain.

N/A

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Planned FY 2015 expenditures are net of reserves

Reverted: \$524,033 GR, \$4,716,297 FF

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>REGIONAL CARE COORDINATION</b>									
<b>CORE</b>									
<b>PROGRAM-SPECIFIC</b>									
GENERAL REVENUE	0	0.00	500,000	0.00	500,000	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	4,500,000	0.00	4,500,000	0.00	0	0.00	
TOTAL - PD	0	0.00	5,000,000	0.00	5,000,000	0.00	0	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>5,000,000</b>	<b>0.00</b>	<b>5,000,000</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$5,000,000</b>	<b>0.00</b>	<b>\$5,000,000</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Regional Care Coordination

Budget Unit: 90575C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	500,000	4,500,000		5,000,000
TRF				
Total	500,000	4,500,000		5,000,000
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	0	0		0
TRF				
Total	0	0	0	0
FTE				

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

## 2. CORE DESCRIPTION

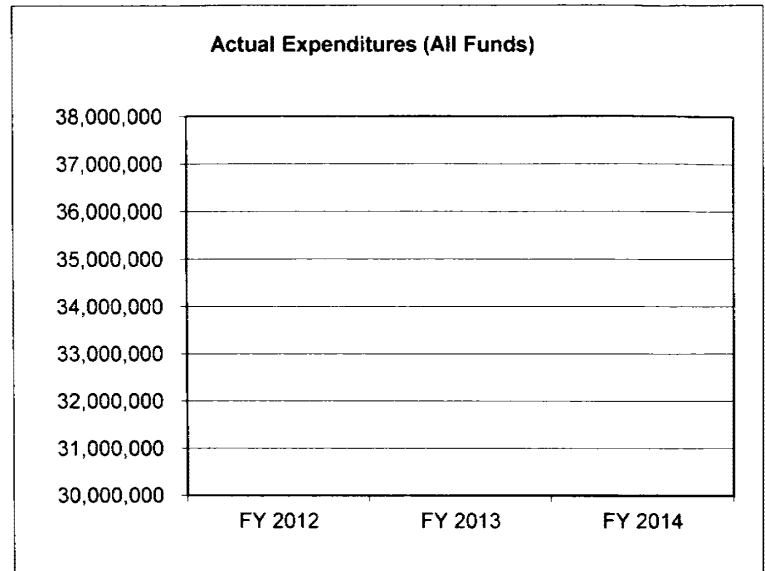
This core request is to provide funding for a regional care coordination model.

## 3. PROGRAM LISTING (list programs included in this core funding)

Community Health Access Programs (CHAPS)

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	0	0	0	5,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**REGIONAL CARE COORDINATION**

**5. CORE RECONCILIATION DETAIL**

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>								
		PD	0.00	500,000	4,500,000	0	5,000,000	
		<b>Total</b>	<b>0.00</b>	<b>500,000</b>	<b>4,500,000</b>	<b>0</b>	<b>5,000,000</b>	
<b>DEPARTMENT CORE REQUEST</b>								
		PD	0.00	500,000	4,500,000	0	5,000,000	
		<b>Total</b>	<b>0.00</b>	<b>500,000</b>	<b>4,500,000</b>	<b>0</b>	<b>5,000,000</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reduction	1877 8998	PD	0.00	0	(4,500,000)	0	(4,500,000)	Core reduction of Regional Care Coordination
Core Reduction	1877 8997	PD	0.00	(500,000)	0	0	(500,000)	Core reduction of Regional Care Coordination
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>(500,000)</b>	<b>(4,500,000)</b>	<b>0</b>	<b>(5,000,000)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		PD	0.00	0	0	0	0	
		<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
REGIONAL CARE COORDINATION								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	5,000,000	0.00	5,000,000	0.00	0	0.00
TOTAL - PD	0	0.00	5,000,000	0.00	5,000,000	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$5,000,000	0.00	\$5,000,000	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$500,000	0.00	\$500,000	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$4,500,000	0.00	\$4,500,000	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Regional Care Coordination

Program is found in the following core budget(s):

1. What does this program do?

N/A

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

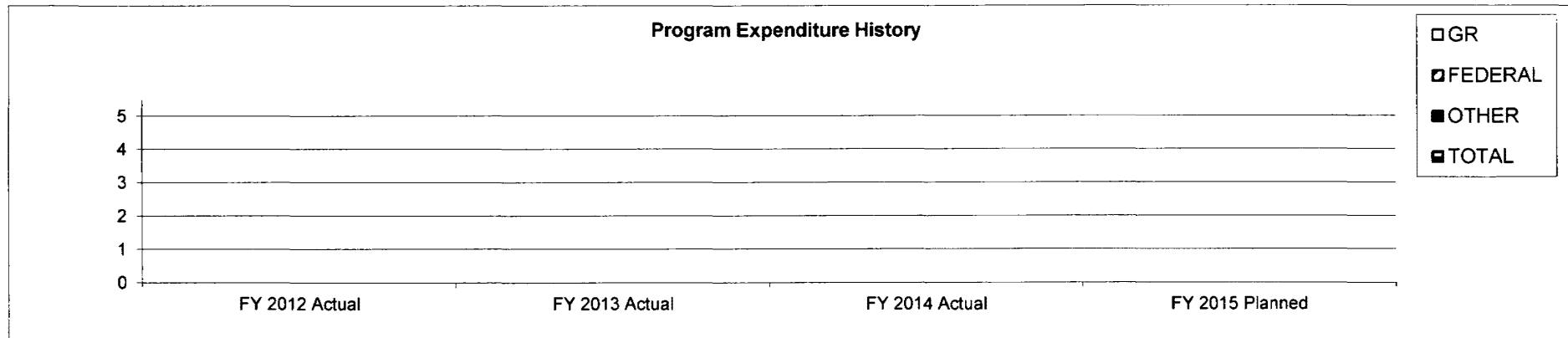
3. Are there federal matching requirements? If yes, please explain.

N/A

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Planned FY 2015 expenditures are net of reserves

Reverted: \$500,000 GR, \$4,500,000 FF

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>IGT HEALTH CARE HOME</b>									
<b>CORE</b>									
<b>PROGRAM-SPECIFIC</b>									
TITLE XIX-FEDERAL AND OTHER	2,533,607	0.00	6,900,000	0.00	6,900,000	0.00	6,900,000	0.00	0.00
INTERGOVERNMENTAL TRANSFER	600,000	0.00	600,000	0.00	600,000	0.00	600,000	0.00	0.00
FEDERAL REIMBURSMENT ALLOWANCE	100,000	0.00	100,000	0.00	100,000	0.00	100,000	0.00	0.00
TOTAL - PD	3,233,607	0.00	7,600,000	0.00	7,600,000	0.00	7,600,000	0.00	0.00
<b>TOTAL</b>	<b>3,233,607</b>	<b>0.00</b>	<b>7,600,000</b>	<b>0.00</b>	<b>7,600,000</b>	<b>0.00</b>	<b>7,600,000</b>	<b>0.00</b>	<b>0.00</b>
<b>FRA Increase Health Home IGT - 1886008</b>									
<b>PROGRAM-SPECIFIC</b>									
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	1,753,934	0.00	1,753,934	0.00	0.00
TOTAL - PD	0	0.00	0	0.00	1,753,934	0.00	1,753,934	0.00	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,753,934</b>	<b>0.00</b>	<b>1,753,934</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$3,233,607</b>	<b>0.00</b>	<b>\$7,600,000</b>	<b>0.00</b>	<b>\$9,353,934</b>	<b>0.00</b>	<b>\$9,353,934</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: IGT Health Care Home

Budget Unit: 90574C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD		6,900,000	700,000	7,600,000
TRF				
Total		6,900,000	700,000	7,600,000
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Intergovernmental Transfers (0139)  
Federal Reimbursement Allowance (0142)

FY 2016 Governor's Recommendation				
	GR	Fed	Other	Total
PS				
EE				
PSD		6,900,000	700,000	7,600,000
TRF				
Total		6,900,000	700,000	7,600,000
FTE				

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

## 2. CORE DESCRIPTION

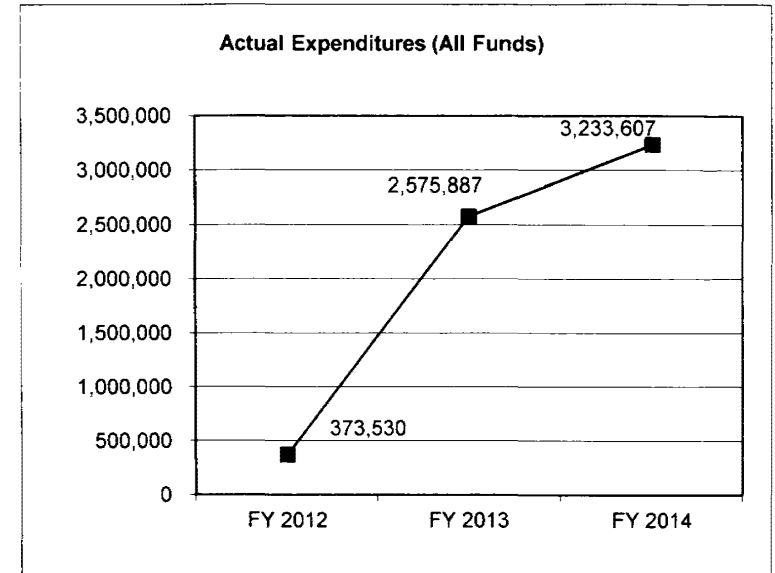
The core request is for funding payments for MO HealthNet participants through intergovernmental transfers for health home sites affiliated with public entities. Health home sites will receive per-member-per-month (PMPM) payments for the additional services they will be required to perform.

## 3. PROGRAM LISTING (list programs included in this core funding)

IGT Health Home

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	10,000,000	7,600,000	7,600,000	7,600,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	10,000,000	7,600,000	7,600,000	N/A
Actual Expenditures (All Funds)	373,530	2,575,887	3,233,607	N/A
Unexpended (All Funds)	9,626,470	5,024,113	4,366,393	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	8,663,842	4,581,865	4,366,393	N/A
Other	962,628	442,248	0	N/A
	(1)			



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY12 Program started in March 2012.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES**

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**IGT HEALTH CARE HOME**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<hr/>							
<b>TAFP AFTER VETOES</b>	PD	0.00	0	6,900,000	700,000	7,600,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>6,900,000</b>	<b>700,000</b>	<b>7,600,000</b>	
<hr/>							
<b>DEPARTMENT CORE REQUEST</b>	PD	0.00	0	6,900,000	700,000	7,600,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>6,900,000</b>	<b>700,000</b>	<b>7,600,000</b>	
<hr/>							
<b>GOVERNOR'S RECOMMENDED CORE</b>	PD	0.00	0	6,900,000	700,000	7,600,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>6,900,000</b>	<b>700,000</b>	<b>7,600,000</b>	
<hr/>							

**DECISION ITEM DETAIL**

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>IGT HEALTH CARE HOME</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	3,233,607	0.00	7,600,000	0.00	7,600,000	0.00	7,600,000	0.00
TOTAL - PD	3,233,607	0.00	7,600,000	0.00	7,600,000	0.00	7,600,000	0.00
<b>GRAND TOTAL</b>	<b>\$3,233,607</b>	<b>0.00</b>	<b>\$7,600,000</b>	<b>0.00</b>	<b>\$7,600,000</b>	<b>0.00</b>	<b>\$7,600,000</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$2,533,607	0.00	\$6,900,000	0.00	\$6,900,000	0.00	\$6,900,000	0.00
OTHER FUNDS	\$700,000	0.00	\$700,000	0.00	\$700,000	0.00	\$700,000	0.00



## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: IGT Health Home**

**Program is found in the following core budget(s): IGT Health Care Home**

### **1. What does this program do?**

Section 2703 of the Affordable Care Act (ACA) gives MO HealthNet the option to pay providers to coordinate care through a "Health Home" for individuals with chronic conditions. A health home is a "designated provider" or a health team that provides health home services to an individual with a chronic condition. A "designated provider" can be a physician, clinical practice or clinical group practice, rural clinic, community health center, home health agency, or any other entity or provider that is determined by MO HealthNet to be a qualified health home. A team of health care professionals acting as a health home may include physicians and other professionals such as a nurse care coordinator, nutritionist or social worker. Health homes may be freestanding or based at a hospital or other facility. Health home services include comprehensive care management, care coordination and health promotion, comprehensive transitional care from inpatient to other settings, patient and family support, and referral to community and social support services. Health homes are required to use "health information technology" to link services. Individuals who are eligible for health home services must have at least two chronic conditions or one chronic condition and the risk of having a second.

Clinical care management per member per month (PMPM) payments will be made for the reimbursement of the cost of staff primarily responsible for delivery of health home services (e.g., Nurse Care Managers).

In state fiscal year 2015, MO HealthNet will seek to expand the number of health home sites. The new health home sites may include a health home that will use IGT transactions for its state match.

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

Federal law: ACA Section 2703; Section 1945 of Title XIX of the Social Security Act

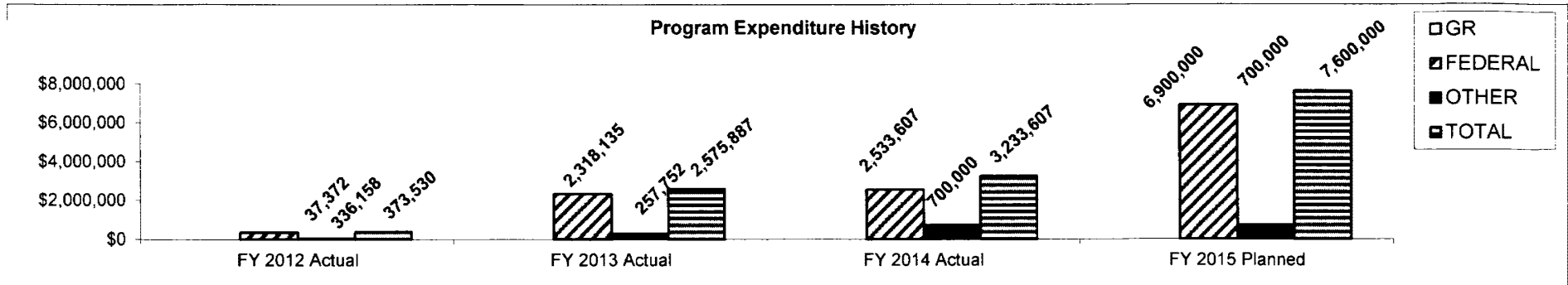
### **3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is a blended 63.095% federal match. The state matching requirement is 36.905%.

### **4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

Department of Social Services Intergovernmental Transfer Fund (0139), Federal Reimbursement Allowance Fund (0142)

**7a. Provide an effectiveness measure.**

Health Home Providers	
Number of Medical Organizations Participating in Primary Care Health Homes	24
Number of Medical Sites Participating in Primary Care Health Homes	80

**7b. Provide an efficiency measure.**

N/A

**7c. Provide the number of clients/individuals served, if applicable.**

Health Home Participants	
Number of Primary Care Health Home Participants	15,270

**7d. Provide a customer satisfaction measure, if available.**

N/A

**NEW DECISION ITEM  
RANK: 24**

Department: Social Services  
Division: MO HealthNet  
DI Name: FRA Increase Authority - Health Home FRA IGT

Budget Unit: 90574C

DI#: 1886008

**1. AMOUNT OF REQUEST**

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD			1,753,934	1,753,934
TRF				
Total			<b>1,753,934</b>	<b>1,753,934</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD			1,753,934	1,753,934
TRF				
Total			<b>1,753,934</b>	<b>1,753,934</b>
FTE				

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Increase Budget Authority	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

**PROGRAM SYNOPSIS:** This item is needed to increase appropriation authority to reflect planned FY 2016 payments and to account for the FY14 change in the federal match rate moving from 90% federal to the regular FMAP rate.

Previously Health Homes were partially funded using IGT payments. In FY 2016 a portion of IGT payments are being replaced by FRA payments and this request is to replace that funding with FRA appropriation authority.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Health Home FRA IGT payments are going to be transitioned to FRA payments.

	Total	GR	Federal	Other
FRA Payments	\$1,753,934	\$0	\$0	\$1,753,934
Total	\$1,753,934	\$0	\$0	\$1,753,934

The Governor recommended this request.

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0		0		1,753,934		1,753,934		
Total PSD	0		0		1,753,934		1,753,934		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	1,753,934	0.0	1,753,934	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions					1,753,934		1,753,934		
Total PSD	0		0		1,753,934		1,753,934		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	1,753,934	0.0	1,753,934	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

<b>Health Home Providers (SFY 14)</b>	
Number of Medical Organizations Participating in Primary Care Health Homes	24
Number of Medical Sites Participating in Primary Care Health Homes	80

**6b. Provide an efficiency measure.**

N/A

**6c. Provide the number of clients/individuals served, if applicable.**

<b>Health Home Participants (SFY 14)</b>	
Number of Primary Care Health Home Participants	15,270

**6d. Provide a customer satisfaction measure, if available.**

N/A

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
IGT HEALTH CARE HOME								
FRA Increase Health Home IGT - 1886008								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,753,934	0.00	1,753,934	0.00
TOTAL - PD	0	0.00	0	0.00	1,753,934	0.00	1,753,934	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$1,753,934	0.00	\$1,753,934	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$1,753,934	0.00	\$1,753,934	0.00

**Federal Reimbursement  
Allowance**



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>FED REIMB ALLOWANCE</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
FEDERAL REIMBURSEMENT ALLOWANCE	218,838	0.00	0	0.00	0	0.00	0	0.00	0.00
TOTAL - EE	218,838	0.00	0	0.00	0	0.00	0	0.00	0.00
PROGRAM-SPECIFIC									
FEDERAL REIMBURSEMENT ALLOWANCE	1,023,175,389	0.00	1,022,818,734	0.00	1,022,818,734	0.00	1,022,818,734	0.00	0.00
TOTAL - PD	1,023,175,389	0.00	1,022,818,734	0.00	1,022,818,734	0.00	1,022,818,734	0.00	0.00
<b>TOTAL</b>	<b>1,023,394,227</b>	<b>0.00</b>	<b>1,022,818,734</b>	<b>0.00</b>	<b>1,022,818,734</b>	<b>0.00</b>	<b>1,022,818,734</b>	<b>0.00</b>	<b>0.00</b>
<b>FRA-DSH Redistribution - 1886007</b>									
PROGRAM-SPECIFIC									
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	0	0.00	1	0.00	1	0.00	0.00
TOTAL - PD	0	0.00	0	0.00	1	0.00	1	0.00	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1</b>	<b>0.00</b>	<b>1</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$1,023,394,227</b>	<b>0.00</b>	<b>\$1,022,818,734</b>	<b>0.00</b>	<b>\$1,022,818,735</b>	<b>0.00</b>	<b>\$1,022,818,735</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Federal Reimbursement Allowance (FRA)

Budget Unit 90553C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request					FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD			1,022,818,734	1,022,818,734	PSD			1,022,818,734	1,022,818,734
TRF					TRF				
Total	0	0	1,022,818,734	1,022,818,734	Total			1,022,818,734	1,022,818,734
FTE				0.00	FTE				0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

Note: An "E" is requested for the Federal Reimbursement Allowance Fund.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

Note: An "E" is requested for the Federal Reimbursement Allowance Fund.

## 2. CORE DESCRIPTION

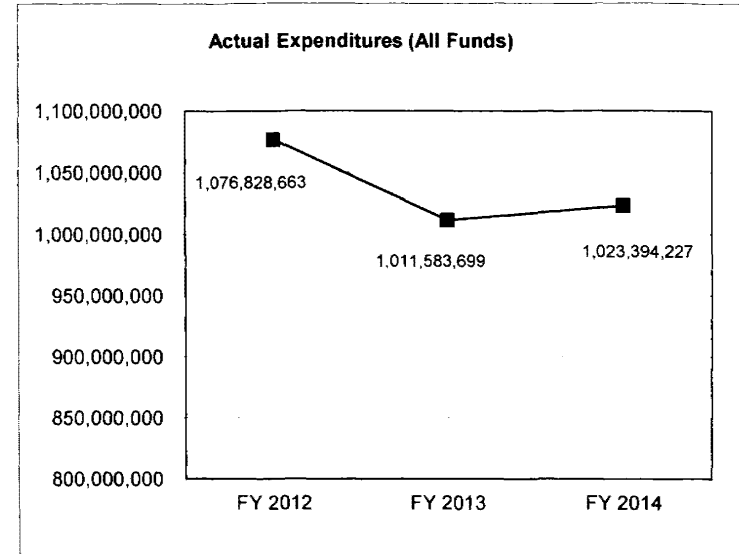
This core request is for ongoing funding to reimburse for hospital services and managed care premiums provided to MO HealthNet participants and the uninsured. Funding for this core is used to maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation. Hospitals are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent and when used to make valid Medicaid payments, earns federal dollars. These earnings fund this FRA program appropriation.

## 3. PROGRAM LISTING (list programs included in this core funding)

Hospital - Federal Reimbursement Allowance

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	1,077,049,394	1,015,712,069	1,179,817,505	1,022,818,734 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	1,077,049,394	1,015,712,069	1,179,817,505	N/A
Actual Expenditures (All Funds)	1,076,828,663	1,011,583,699	1,023,394,227	N/A
Unexpended (All Funds)	220,731	4,128,370	156,423,278	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	220,731	4,128,370	156,423,278	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY12 An "E" increase of \$198,120,000 was made.

(2) FY13 An "E" increase of \$27,693,335 was made.

(3) FY14 An "E" increase of \$159,998,771 was made.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**FED REIMB ALLOWANCE**

**5. CORE RECONCILIATION DETAIL**

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>							
	PD	0.00	0	0	1,022,818,734	1,022,818,734	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>1,022,818,734</b>	<b>1,022,818,734</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	PD	0.00	0	0	1,022,818,734	1,022,818,734	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>1,022,818,734</b>	<b>1,022,818,734</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	PD	0.00	0	0	1,022,818,734	1,022,818,734	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>1,022,818,734</b>	<b>1,022,818,734</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>FED REIMB ALLOWANCE</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	218,838	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	218,838	0.00	0	0.00	0	0.00	0	0.00
PROGRAM DISTRIBUTIONS	1,023,175,389	0.00	1,022,818,734	0.00	1,022,818,734	0.00	1,022,818,734	0.00
TOTAL - PD	1,023,175,389	0.00	1,022,818,734	0.00	1,022,818,734	0.00	1,022,818,734	0.00
<b>GRAND TOTAL</b>	<b>\$1,023,394,227</b>	<b>0.00</b>	<b>\$1,022,818,734</b>	<b>0.00</b>	<b>\$1,022,818,734</b>	<b>0.00</b>	<b>\$1,022,818,734</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$1,023,394,227	0.00	\$1,022,818,734	0.00	\$1,022,818,734	0.00	\$1,022,818,734	0.00

## PROGRAM DESCRIPTION

**Department:** Social Services

**Program Name:** Federal Reimbursement Allowance (FRA)

**Program is found in the following core budget(s):** Federal Reimbursement Allowance (FRA)

### 1. What does this program do?

The Federal Reimbursement Allowance (FRA) program provides payments for hospital inpatient services, outpatient services, managed care capitated payments, CHIP and Women's Health services (using the FRA assessment as general revenue equivalent). The FRA program supplements payments for the cost of providing care to Medicaid participants under Title XIX of the Social Security Act and to the uninsured. Hospitals are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent and when used to make valid Medicaid payments, earns federal dollars. These earnings fund the FRA program.

Currently 148 hospitals participate in the FRA program. The FRA assessment is a percent of each hospital's inpatient adjusted net revenues and outpatient adjusted net revenues. The assessment rate for FY 2015 is 5.95%. The net inpatient and net outpatient revenue are determined from the hospital's cost reports that are filed annually with the MO HealthNet Division. The MO HealthNet Division uses funds generated from the FRA program as the equivalent of General Revenue funds. The funds are distributed to the hospitals through a combination of payments.

The FRA program reimburses hospitals for certain costs as outlined below:

- Higher Inpatient Per Diems - Higher per diems were granted in October 1992 when the FRA program started. At that time, rates for the general plan hospitals were rebased to the 1990 cost reports. In April 1998, hospitals were rebased to the 1995 cost reports.
- Increased Outpatient Payment - 30% of outpatient costs are made through FRA funding. An outpatient prospective reimbursement methodology was implemented on July 1, 2002.
- Direct Medicaid Payments - The hospital receives additional lump sum payments to cover their unreimbursed costs for providing services to MO HealthNet participants. These payments, along with per diem payments, provide 100% of the allowable Medicaid cost for MO HealthNet participants.
- Uninsured Add-On - Payments for the cost of providing services to patients that do not have insurance (charity care and bad debts).
- Upper Payment Limit - An annual payment to hospitals to recognize costs up to what Medicare payment principles allow.
- Enhanced GME - An annual payment to hospitals for Graduate Medical Education (GME) cost inflation not reimbursed in the per diem, Direct Medicaid or quarterly GME payments.

This program also funds the following:

- Costs of the federally required independent DSH audits.
- Missouri's Gateway to Better Health Medicaid demonstration. The State is authorized to spend up to \$30 million (total computable) annually to preserve and improve primary care and specialty care in the St. Louis area in lieu of spending that amount of statutorily authorized funding on payments to disproportionate share hospitals (DSHs), making this Demonstration budget-neutral. Prior to the new federal DSH audit rules, DSH funding was voluntarily paid by hospitals to safety net clinics that provided uncompensated ambulatory care at specific facilities. The new federal DSH audit requirements limit the amount of DSH hospitals can receive to each individual hospital's uncompensated Medicaid and uninsured costs. Under the Demonstration, CMS is allowing the state to continue to use DSH funds to preserve and improve primary and specialty health care services in St. Louis through December 31, 2015.
- Institutions for Mental Disease (IMD) Demonstration. This is a three-year Medicaid emergency psychiatric demonstration project. The project would allow federal. Medicaid matching payments for emergency psychiatric treatment in psychiatric hospitals that provide services to Medicaid beneficiaries between the ages of 21 and 64. Currently, psychiatric hospitals are required to provide these emergency services under the Emergency Medical Treatment and Active Labor Act, but they cannot receive federal matching payments because of the rules prohibiting IMD's from receiving federal Medicaid reimbursement. The services eligible for federal payments under the demonstration projects are limited to emergency psychiatric treatment and stabilization.
- The state share of primary care health home per-member-per-month (PMPM) payments to hospital-based primary care health homes.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.453; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 433 Subpart B.

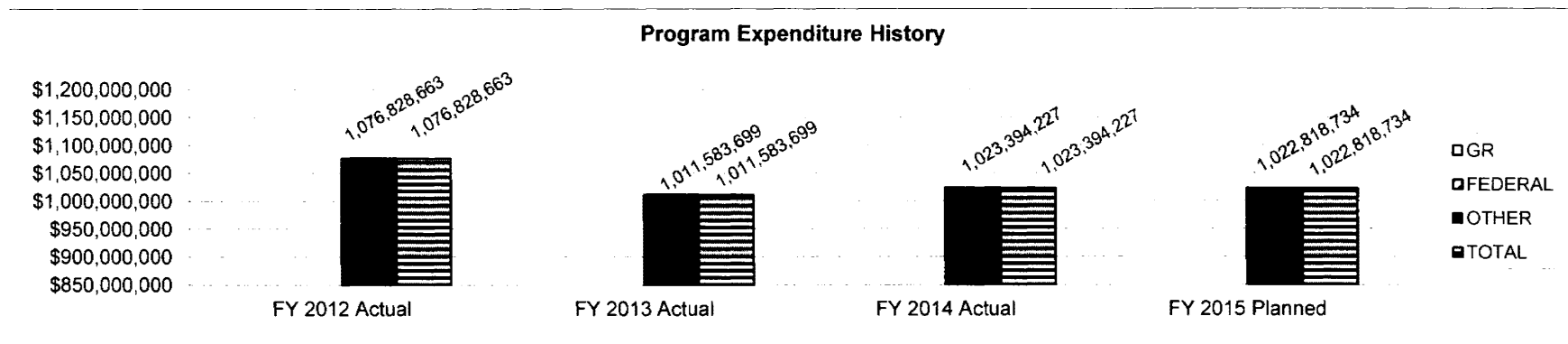
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Prior to January 1, 2014, health home expenditures were matched at 90% federal funds. Health homes are now matched at the current FMAP rate. Missouri's FMAP for FY 15 is a blended 63.095% federal match. The state matching requirement is 36.905%. The hospital assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement.

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

Federal Reimbursement Allowance Fund (0142)

**7a. Provide an effectiveness measure.**

The Federal Reimbursement Allowance (FRA) is used as state match for administration costs and Medicaid services minimizing the need for General Revenue. In FY 2014, the FRA program provided over \$282 million in state match to fund various appropriations.

FRA as a Funding Source in the Various Appropriations	FY			
	2011	2012	2013	2014
Revenue Max / Admin	\$100,133	\$100,133	\$101,244	\$101,956
Managed Care	\$93,533,441	\$93,533,441	\$108,629,699	\$97,626,207
Hospital	\$185,298,958	\$185,298,958	\$188,702,995	\$176,584,954
Women's Health Services	\$167,756	\$167,756	\$403,656	\$167,756
Medical Homes			\$100,000	\$100,000
CHIP	\$7,719,204	\$7,719,204	\$10,269,005	\$7,719,204
<b>Total</b>	<b>\$286,819,492</b>	<b>\$286,819,492</b>	<b>\$308,206,599</b>	<b>\$282,300,077</b>

**7b. Provide an efficiency measure.**

The FRA tax assessment is a general revenue equivalent and when used to make Medicaid payments earns a federal match. In FY 2014, hospitals were assessed \$1,078.2 million in tax.

FRA Tax Assessments Revenues Obtained*	
FY	
2012	\$1,007.2 mil
2013	\$1,060.2 mil
2014	\$1,078.2 mil
2015	\$1,092.7 mil estimated
2016	\$1,139.7 mil estimated
2017	\$1,188.7 mil estimated

\*Projections assume the federal government continues to allow tax rate maximum of 6%.

**7c. Provide the number of clients/individuals served, if applicable.**

FRA payments are made on behalf of MO HealthNet participants and the uninsured accessing hospital and primary care health home services.

**7d. Provide a customer satisfaction measure, if available.**

N/A



**NEW DECISION ITEM  
RANK: 23**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: FRA Increase Authority - DSH Redistribution**

**Budget Unit: 90553C**  
**DI#: 1886007**

**1. AMOUNT OF REQUEST**

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD		0	1	1 E
TRF				
Total	0	0	1	1 E
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
 Note: An "E" is requested for this Federal Remibursment Fund Appropriation.

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD			1	1 E
TRF				
Total			1	1 E
FTE				

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
 Note: An "E" is requested for this Federal Remibursment Fund Appropriation.

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Increase Budget Authority	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

**PROGRAM SYNOPSIS:** *This item is needed to increase appropriation authority to reflect planned FY 2016 payments.*

Funding is needed to redistribute Medicaid Disproportionate Share Hospital (DSH) payments in order to be in compliance with hospital-specific DSH limit standards issued by the Centers for Medicare and Medicaid Services (CMS). To be in compliance with the hospital-specific DSH limit standards, adjustments were made for the SFY 2011 DSH payments based on a state DSH survey and final adjustments were made beginning with SFY 2011 DSH payments based on the results of the annual independent DSH audits. Beginning with SFY 2015, the Division will recoup DSH payments in excess of the hospital-specific DSH limit and redistribute those funds to hospitals whose payments are below their hospital-specific DSH limit, up to the federal DSH allotment.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

In December 2008, the Centers for Medicare and Medicaid Services (CMS) issued a final regulation, effective January 19, 2009, mandating an independent audit of Medicaid disproportionate share hospital (DSH) payments to hospitals starting with DSH payment year 2005. Independent DSH audits are conducted 3 years after the DSH payment year. For example, the annual independent audit of SFY 2011 DSH payments will be done in 2014. A transition period was authorized by the federal DSH rules where findings would not be found for DSH payment years 2005-2010. The first year of audits conducted during 2010 included the independent audits for DSH payment years 2005, 2006 and 2007. The federal DSH audit rules and CMS guidance directed states to consider the findings from these audits when calculating uncompensated care cost estimates and associated DSH payments beginning with Medicaid State plan rate year 2011. The results of the 2005 – 2007 independent DSH audits indicated that the DSH cost and payment methodology used by MHD would not comply with the hospital-specific DSH limit standards. To reflect the methodology change and be in compliance with the hospital-specific DSH limit standards, adjustments were made for the SFY 2011 DSH payments based on a state DSH survey and final adjustments will be made beginning with SFY 2011 DSH payments based on the results of the annual independent DSH audits. Beginning with SFY 2015, the Division will recoup DSH payments in excess of the hospital-specific DSH limit and redistribute those funds to hospitals whose payments are below their hospital-specific DSH limit, up to the federal DSH allotment. The federal share of any DSH payments recouped in excess of the federal DSH allotment must be returned to the federal government.

	Total	GR	Federal	Other
DSH Redistribution	\$1	\$0	\$0	\$1
Total	\$1	\$0	\$0	\$1

**The Governor recommended this request.**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0		0		1		1		
Total PSD	0		0		1		1		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	1	0.0	1	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions					1		1		
Total PSD	0		0		1		1		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	1	0.0	1	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

Effectiveness Measure: The Federal Reimbursement Allowance (FRA) is used as state match for administration costs and Medicaid services minimizing the need for General Revenue. In FY 2014, the FRA program provided over \$282 million in state match to fund various appropriations.

FRA as a Funding Source in the Various Appropriations	FY			
	2011	2012	2013	2014
Revenue Max / Admin	\$100,133	\$100,133	\$101,244	\$101,956
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Hospital	\$185,298,958	\$185,298,958	\$188,702,995	\$176,584,954
Women's Health Services	\$167,756	\$167,756	\$403,656	\$167,756
Medical Homes			\$100,000	\$100,000
CHIP	\$7,719,204	\$7,719,204	\$10,269,005	\$7,719,204
Total	\$286,819,492	\$286,819,492	\$308,206,599	\$282,300,077

**6b. Provide an efficiency measure.**

Efficiency Measure: The FRA tax assessment is a general revenue equivalent and when used to make Medicaid payments earns a federal match. In FY 2014, hospitals were assessed \$1,078.2 million in tax.

FRA Tax Assessments Revenues Obtained*	
FY	
2012	\$1,007.2 mil
2013	\$1,060.2 mil
2014	\$1,078.2 mil
2015	\$1,092.7 mil estimated
2016	\$1,139.7 mil estimated
2017	\$1,188.7 mil estimated

\*Projections assume the federal government continues to allow tax rate maximum of 6%.

**6c. Provide the number of clients/individuals served, if applicable.**

FRA payments are made on behalf of MO HealthNet participants and the uninsured accessing hospital services.

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>FED REIMB ALLOWANCE</b>								
<b>FRA-DSH Redistribution - 1886007</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1	0.00	1	0.00
TOTAL - PD	0	0.00	0	0.00	1	0.00	1	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1</b>	<b>0.00</b>	<b>\$1</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$1	0.00	\$1	0.00



# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>IGT EXPEND TRANSFER</b>								
<b>CORE</b>								
<b>FUND TRANSFERS</b>								
INTERGOVERNMENTAL TRANSFER	86,475,255	0.00	96,885,215	0.00	96,885,215	0.00	96,885,215	0.00
TOTAL - TRF	86,475,255	0.00	96,885,215	0.00	96,885,215	0.00	96,885,215	0.00
<b>TOTAL</b>	<b>86,475,255</b>	<b>0.00</b>	<b>96,885,215</b>	<b>0.00</b>	<b>96,885,215</b>	<b>0.00</b>	<b>96,885,215</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$86,475,255</b>	<b>0.00</b>	<b>\$96,885,215</b>	<b>0.00</b>	<b>\$96,885,215</b>	<b>0.00</b>	<b>\$96,885,215</b>	<b>0.00</b>

1/28/15 9:39

im\_dlsuamary

# **CORE DECISION ITEM**

Department: Social Services  
Division: MO HealthNet  
Core: IGT Transfer

Budget Unit 90570C

## **1. CORE FINANCIAL SUMMARY**

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			96,885,215	96,885,215
<b>Total</b>	<b>0</b>	<b>0</b>	<b>96,885,215</b>	<b>96,885,215</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: Intergovernmental Transfers (0139)

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			96,885,215	96,885,215
<b>Total</b>			<b>96,885,215</b>	<b>96,885,215</b>

FTE

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: Intergovernmental Transfers (0139)

## **2. CORE DESCRIPTION**

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services.

## **3. PROGRAM LISTING (list programs included in this core funding)**

IGT Transfer

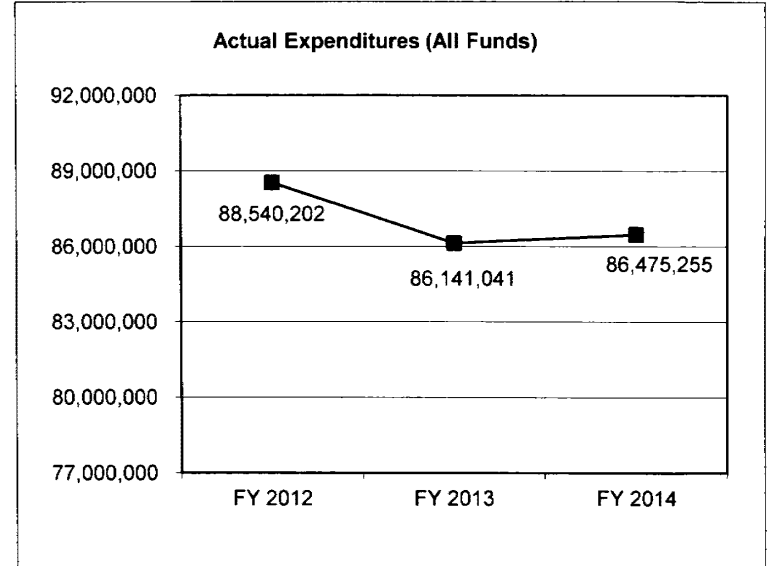


# CORE DECISION ITEM

**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** IGT Transfer

## 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	88,550,000	88,550,000	88,318,336	96,885,215
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	88,550,000	88,550,000	88,318,336	N/A
Actual Expenditures (All Funds)	88,540,202	86,141,041	86,475,255	N/A
Unexpended (All Funds)	9,798	2,408,959	1,843,081	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	9,798	2,408,959	1,843,081	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

### NOTES:

(1) FY12 There was an "E" increase of \$6,350,000.

(2) FY13 Estimated appropriation or "E" status removed. Supplemental increase of \$3,941,041 was made.

(3) FY14 Supplemental increase of \$1,862,080 was made.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****IGT EXPEND TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<hr/>							
<b>TAFP AFTER VETOES</b>	TRF	0.00	0	0	96,885,215	96,885,215	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>96,885,215</b>	<b>96,885,215</b>	
<hr/>							
<b>DEPARTMENT CORE REQUEST</b>	TRF	0.00	0	0	96,885,215	96,885,215	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>96,885,215</b>	<b>96,885,215</b>	
<hr/>							
<b>GOVERNOR'S RECOMMENDED CORE</b>	TRF	0.00	0	0	96,885,215	96,885,215	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>96,885,215</b>	<b>96,885,215</b>	
<hr/>							

**DECISION ITEM DETAIL**

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>IGT EXPEND TRANSFER</b>								
<b>CORE</b>								
TRANSFERS OUT	86,475,255	0.00	96,885,215	0.00	96,885,215	0.00	96,885,215	0.00
TOTAL - TRF	86,475,255	0.00	96,885,215	0.00	96,885,215	0.00	96,885,215	0.00
<b>GRAND TOTAL</b>	<b>\$86,475,255</b>	<b>0.00</b>	<b>\$96,885,215</b>	<b>0.00</b>	<b>\$96,885,215</b>	<b>0.00</b>	<b>\$96,885,215</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$86,475,255	0.00	\$96,885,215	0.00	\$96,885,215	0.00	\$96,885,215	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: IGT Transfer

Program is found in the following core budget(s): IGT Transfer

### 1. What does this program do?

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

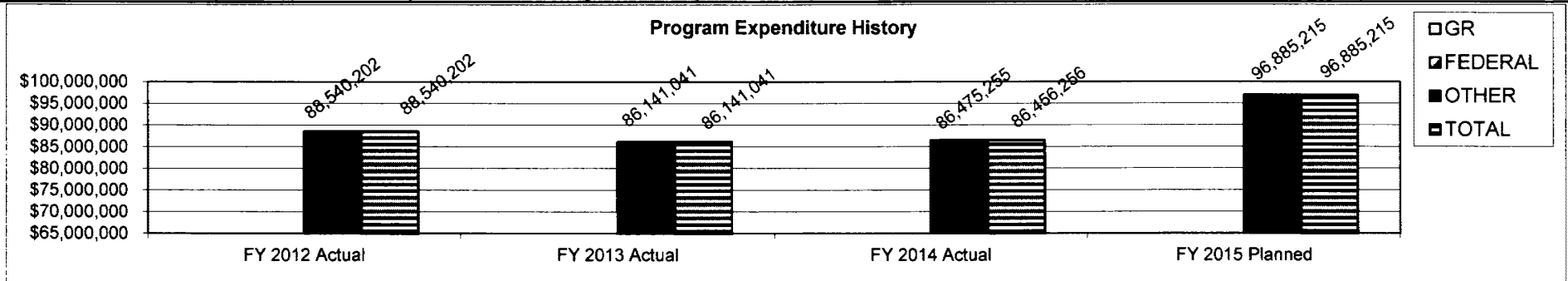
### 3. Are there federal matching requirements? If yes, please explain.

No.

### 4. Is this a federally mandated program? If yes, please explain.

No.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



### 6. What are the sources of the "Other " funds?

Department of Social Services Intergovernmental Transfer Fund (0139)

**7a. Provide an effectiveness measure.**

These transfers allow the state to draw federal match for hospital services provided by public entities. Measures for hospital services are included in the hospital section.

**7b. Provide an efficiency measure.**

These transfers allow the state to draw federal match for hospital services provided by public entities. Measures for hospital services are included in the hospital section.

**7c. Provide the number of clients/individuals served, if applicable.**

These transfers allow the state to draw federal match for hospital services provided by public entities. Measures for hospital services are included in the hospital section.

**7d. Provide a customer satisfaction measure, if available.**

These transfers allow the state to draw federal match for hospital services provided by public entities. Measures for hospital services are included in the hospital section.



# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>IGT SAFETY NET HOSPITALS</b>								
<b>CORE</b>								
<b>PROGRAM-SPECIFIC</b>								
TITLE XIX-FEDERAL AND OTHER	75,513,699	0.00	129,505,748	0.00	129,505,748	0.00	129,505,748	0.00
INTERGOVERNMENTAL TRANSFER	46,564,648	0.00	70,348,801	0.00	70,348,801	0.00	70,348,801	0.00
TOTAL - PD	122,078,347	0.00	199,854,549	0.00	199,854,549	0.00	199,854,549	0.00
<b>TOTAL</b>	<b>122,078,347</b>	<b>0.00</b>	<b>199,854,549</b>	<b>0.00</b>	<b>199,854,549</b>	<b>0.00</b>	<b>199,854,549</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$122,078,347</b>	<b>0.00</b>	<b>\$199,854,549</b>	<b>0.00</b>	<b>\$199,854,549</b>	<b>0.00</b>	<b>\$199,854,549</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: IGT Safety Net Hospitals

Budget Unit: 90571C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD		129,505,748	70,348,801	199,854,549
TRF				
Total		129,505,748	70,348,801	199,854,549
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Intergovernmental Transfers (0139)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD		129,505,748	70,348,801	199,854,549
TRF				
Total		129,505,748	70,348,801	199,854,549
FTE				

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Intergovernmental Transfers (0139)

## 2. CORE DESCRIPTION

This core request is for funding payments for MO HealthNet participants and the uninsured through intergovernmental transfers for safety net hospitals. Safety net hospitals traditionally see a high volume of MO HealthNet/uninsured patients.

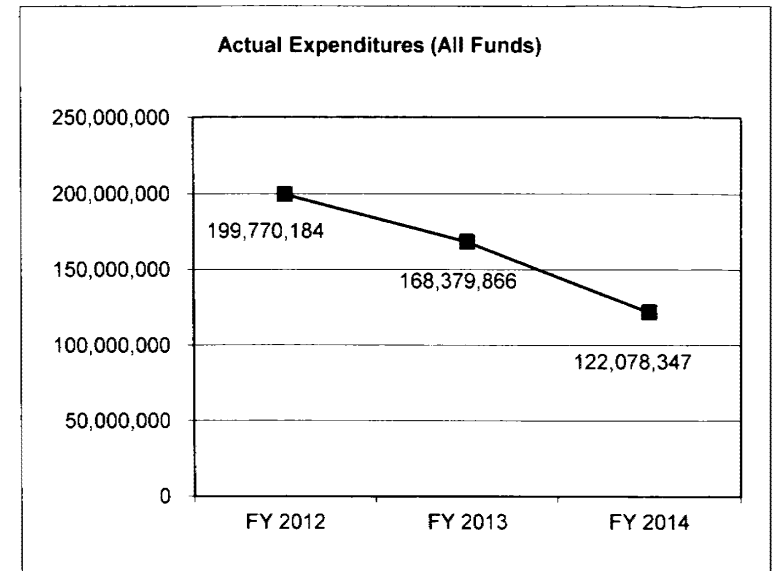
## 3. PROGRAM LISTING (list programs included in this core funding)

Intergovernmental transfers for Safety Net Hospitals.



#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	203,474,549	199,854,549	199,854,549	199,854,549
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	203,474,549	199,854,549	199,854,549	N/A
Actual Expenditures (All Funds)	199,770,184	168,379,866	122,078,347	N/A
Unexpended (All Funds)	3,704,365	31,474,683	77,776,202	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	2,570,273	6,830,281	53,992,049	N/A
Other	1,134,092	24,644,402	23,802,153	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

- (1) FY12 "E" increase of \$3,620,000 in IGT funds.
- (2) FY13 Estimated appropriation or "E" status removed.
- (3) FY14 Agency Reserves of \$52,055,148 Federal and \$18,767,650 Other Funds.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****IGT SAFETY NET HOSPITALS**

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**5. CORE RECONCILIATION DETAIL**

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	Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>							
	PD	0.00	0	129,505,748	70,348,801	199,854,549	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>129,505,748</b>	<b>70,348,801</b>	<b>199,854,549</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	PD	0.00	0	129,505,748	70,348,801	199,854,549	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>129,505,748</b>	<b>70,348,801</b>	<b>199,854,549</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	PD	0.00	0	129,505,748	70,348,801	199,854,549	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>129,505,748</b>	<b>70,348,801</b>	<b>199,854,549</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
IGT SAFETY NET HOSPITALS								
CORE								
PROGRAM DISTRIBUTIONS	122,078,347	0.00	199,854,549	0.00	199,854,549	0.00	199,854,549	0.00
TOTAL - PD	122,078,347	0.00	199,854,549	0.00	199,854,549	0.00	199,854,549	0.00
GRAND TOTAL	\$122,078,347	0.00	\$199,854,549	0.00	\$199,854,549	0.00	\$199,854,549	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$75,513,699	0.00	\$129,505,748	0.00	\$129,505,748	0.00	\$129,505,748	0.00
OTHER FUNDS	\$46,564,648	0.00	\$70,348,801	0.00	\$70,348,801	0.00	\$70,348,801	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: IGT Safety Net Hospitals**

**Program is found in the following core budget(s): IGT Safety Net Hospitals**

### **1. What does this program do?**

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer funds to the state as the non-federal share of Medicaid payments. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible costs for federal Medicaid funds, utilizing current state and local funding sources as match for services.

In FY 2009, the MO HealthNet Division changed from a Certified Public Expenditure (CPE) process to an Intergovernmental Transfer (IGT) process for the non-federal share of hospital payments. The following state owned/operated hospitals and public hospitals are paid from this appropriation: (1) Metropolitan St. Louis Psychiatric Center; (2) Western Missouri Mental Health Center; ; (3) Hawthorne Children's Psychiatric Hospital; (4) Northwest Missouri Psychiatric Rehabilitation Center; (5) Fulton State Hospital; (6) Southeast Missouri Mental Health Center; (7) St. Louis Psychiatric Rehabilitation Center; (8) Missouri Rehabilitation Center; (9) University of Missouri Hospital and Clinics; (10) Truman Medical Center – Hospital Hill; and (11) Truman Medical Center – Lakewood.

Under the IGT process, hospitals transfer the non-federal share of payments to the state prior to payments being made. The state pays out the total claimable amount including both federal and non-federal share. The state demonstrates that the non-federal share of the payments is transferred to, and under the administrative control of, the Medicaid agency (Department of Social Services) prior to the total computable payments being made to the hospitals.

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

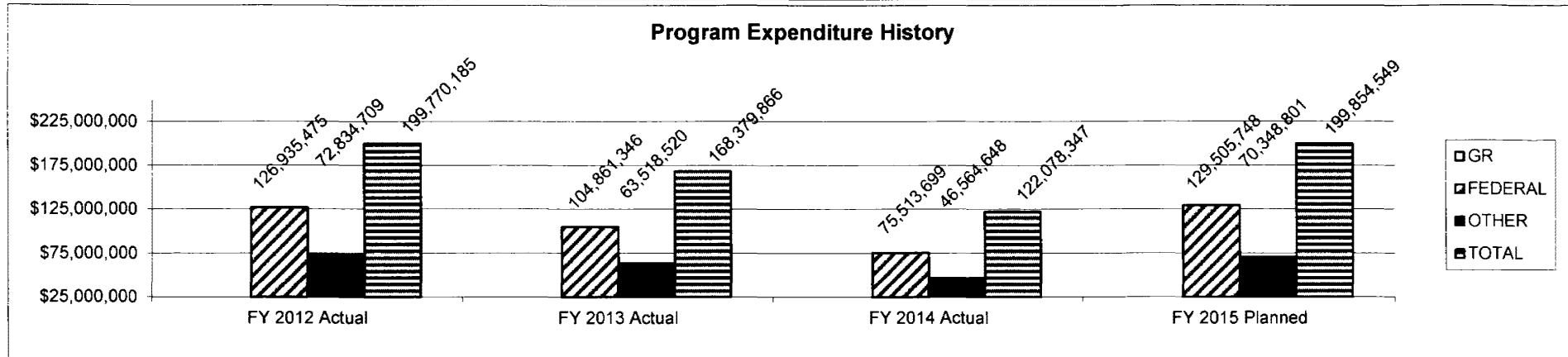
### **3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 15 is a blended 63.095% federal match. The state matching requirement is 36.905%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

### **4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

Department of Social Services Intergovernmental Transfer Fund (0139)

**7a. Provide an effectiveness measure.**

N/A

**7b. Provide an efficiency measure.**

N/A

**7c. Provide the number of clients/individuals served, if applicable.**

N/A

**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>IGT DMH MEDICAID PROGRAM</b>									
<b>CORE</b>									
<b>PROGRAM-SPECIFIC</b>									
TITLE XIX-FEDERAL AND OTHER	168,706,551	0.00	194,011,173	0.00	194,011,173	0.00	194,011,173	0.00	0.00
INTERGOVERNMENTAL TRANSFER	102,765,219	0.00	119,579,424	0.00	119,579,424	0.00	119,579,424	0.00	0.00
TOTAL - PD	271,471,770	0.00	313,590,597	0.00	313,590,597	0.00	313,590,597	0.00	0.00
<b>TOTAL</b>	<b>271,471,770</b>	<b>0.00</b>	<b>313,590,597</b>	<b>0.00</b>	<b>313,590,597</b>	<b>0.00</b>	<b>313,590,597</b>	<b>0.00</b>	<b>0.00</b>
<b>Medicaid CTC - 1886018</b>									
<b>PROGRAM-SPECIFIC</b>									
INTERGOVERNMENTAL TRANSFER	0	0.00	0	0.00	5,600,000	0.00	5,600,000	0.00	0.00
TOTAL - PD	0	0.00	0	0.00	5,600,000	0.00	5,600,000	0.00	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>5,600,000</b>	<b>0.00</b>	<b>5,600,000</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$271,471,770</b>	<b>0.00</b>	<b>\$313,590,597</b>	<b>0.00</b>	<b>\$319,190,597</b>	<b>0.00</b>	<b>\$319,190,597</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: IGT DMH Medicaid Program

Budget Unit: 90571C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD		194,011,173	119,579,424	313,590,597
TRF				
Total	0	194,011,173	119,579,424	313,590,597
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Intergovernmental Transfers (0139)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD		194,011,173	119,579,424	313,590,597
TRF				
Total	194,011,173	119,579,424	313,590,597	
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Intergovernmental Transfers (0139)

## 2. CORE DESCRIPTION

The core request is for funding payments for MO HealthNet participants and the uninsured through intergovernmental transfers for Community Psychiatric Rehabilitation (CPR) and Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR) services.

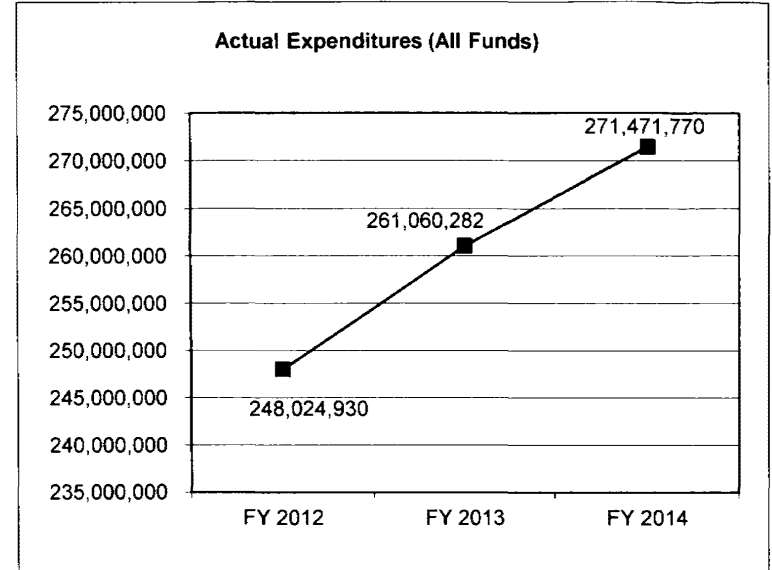
## 3. PROGRAM LISTING (list programs included in this core funding)

Intergovernmental transfers for DMH Medicaid Program.



#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Current Yr.	FY 2015 Current Yr.
Appropriation (All Funds)	268,630,216	275,518,237	292,590,597	313,590,597
Less Reverted (All Funds)			0	N/A
Budget Authority (All Funds)	268,630,216	275,518,237	292,590,597	N/A
Actual Expenditures (All Funds)	248,024,930	261,060,282	271,471,770	N/A
Unexpended (All Funds)	20,605,286	14,457,955	21,118,827	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	4,869,997	6,145,135	12,304,622	N/A
Other	15,735,289	8,312,820	8,814,205	N/A
	(1)	(2)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY 12 "E" increase of \$90,000,000.

(2) FY 13 Estimated appropriation or "E" status removed. A supplemental increase was made in the amount of \$14,141,079 in Other and \$22,964,878 in Federal.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES**

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**IGT DMH MEDICAID PROGRAM**

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**5. CORE RECONCILIATION DETAIL**

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	Budget Class	FTE	GR	Federal	Other	Total	Explanation
<hr/>							
TAFP AFTER VETOES	PD	0.00	0	194,011,173	119,579,424	313,590,597	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>194,011,173</b>	<b>119,579,424</b>	<b>313,590,597</b>	
<hr/>							
DEPARTMENT CORE REQUEST	PD	0.00	0	194,011,173	119,579,424	313,590,597	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>194,011,173</b>	<b>119,579,424</b>	<b>313,590,597</b>	
<hr/>							
GOVERNOR'S RECOMMENDED CORE	PD	0.00	0	194,011,173	119,579,424	313,590,597	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>194,011,173</b>	<b>119,579,424</b>	<b>313,590,597</b>	
<hr/>							

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
IGT DMH MEDICAID PROGRAM								
CORE								
PROGRAM DISTRIBUTIONS	271,471,770	0.00	313,590,597	0.00	313,590,597	0.00	313,590,597	0.00
TOTAL - PD	271,471,770	0.00	313,590,597	0.00	313,590,597	0.00	313,590,597	0.00
GRAND TOTAL	\$271,471,770	0.00	\$313,590,597	0.00	\$313,590,597	0.00	\$313,590,597	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$168,706,551	0.00	\$194,011,173	0.00	\$194,011,173	0.00	\$194,011,173	0.00
OTHER FUNDS	\$102,765,219	0.00	\$119,579,424	0.00	\$119,579,424	0.00	\$119,579,424	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: IGT DMH Medicaid Program**

**Program is found in the following core budget(s): IGT DMH Medicaid Program**

### **1. What does this program do?**

This program provides payments for Community Psychiatric Rehabilitation (CPR) and Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR). The Department of Mental Health (DMH) utilizes an IGT Reimbursement Methodology, where DMH serves as a provider of Medicaid Services to the Department of Social Services for Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR) and Community Psychiatric Rehabilitation (CPR) services. The state match is provided using an Intergovernmental Transfer process.

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible costs for federal Medicaid funds, utilizing current state and local funding sources as match for services.

Beginning in FY 11, the MO HealthNet Division changed from a Certified Public Expenditure (CPE) process to an Intergovernmental Transfer (IGT) process for the non-federal share of CPR and CSTAR services. This methodology allows DMH to be reimbursed 100% of CPR and CSTAR costs. MO HealthNet pays DMH a reasonable rate for the total costs of providing CPR and CSTAR services. The IGT transfer proves that the state match is available for the CPR and CSTAR programs. The appropriated transfer from General Revenue is in the DMH budget. Under this methodology, reimbursement rates are established for CSTAR and CPR services and the MHD will reimburse DMH both the state and the federal share for these services.

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

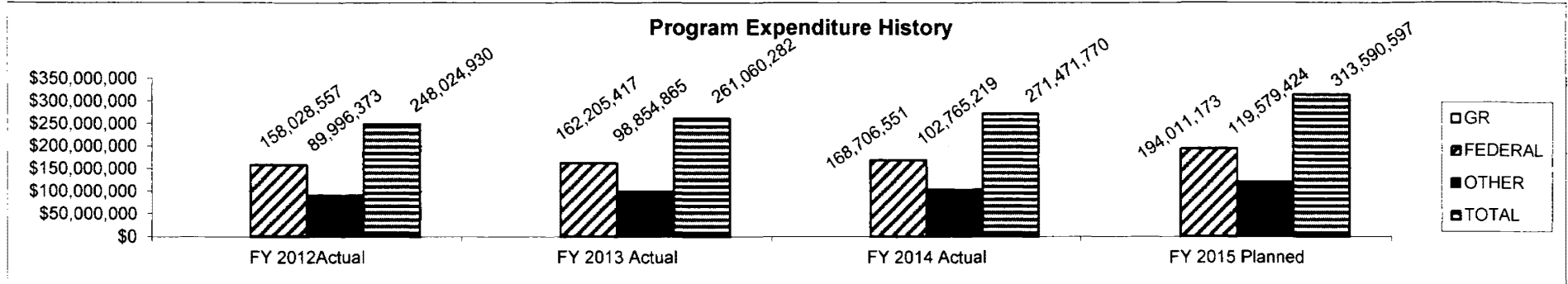
### **3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is a blended 63.095% federal match. The state matching requirement is 36.905%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

### **4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

Department of Social Services Intergovernmental Transfer Fund (0139)

**7a. Provide an effectiveness measure.**

Effectiveness measures for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

**7b. Provide an efficiency measure.**

Effectiveness measures for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

**7c. Provide the number of clients/individuals served, if applicable.**

The number of clients/individuals served for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

**7d. Provide a customer satisfaction measure, if available.**

Customer satisfaction measures for this program can be found in the Department of Mental Health budget under Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>WOMEN'S HEALTH SRVC</b>									
<b>CORE</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	1,259,044	0.00	1,253,437	0.00	1,253,437	0.00	1,632,618	0.00	
TITLE XIX-FEDERAL AND OTHER	7,658,234	0.00	9,281,097	0.00	9,281,097	0.00	8,663,505	0.00	
FEDERAL REIMBURSEMENT ALLOWANCE	167,756	0.00	167,756	0.00	167,756	0.00	167,756	0.00	
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	49,034	0.00	49,034	0.00	49,034	0.00	
TOTAL - PD	9,085,034	0.00	10,751,324	0.00	10,751,324	0.00	10,512,913	0.00	
<b>TOTAL</b>	<b>9,085,034</b>	<b>0.00</b>	<b>10,751,324</b>	<b>0.00</b>	<b>10,751,324</b>	<b>0.00</b>	<b>10,512,913</b>	<b>0.00</b>	
<b>Medicaid CTC - 1886018</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	49,034	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	49,034	0.00	0	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>49,034</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	
<b>Pharmacy PMPM-Specialty - 1886016</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	14,080	0.00	12,714	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	126,714	0.00	114,429	0.00	
TOTAL - PD	0	0.00	0	0.00	140,794	0.00	127,143	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>140,794</b>	<b>0.00</b>	<b>127,143</b>	<b>0.00</b>	
<b>Pharmacy PMPM-Non Specialty - 1886025</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	3,939	0.00	2,647	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	35,455	0.00	23,821	0.00	
TOTAL - PD	0	0.00	0	0.00	39,394	0.00	26,468	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>39,394</b>	<b>0.00</b>	<b>26,468</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$9,085,034</b>	<b>0.00</b>	<b>\$10,751,324</b>	<b>0.00</b>	<b>\$10,980,546</b>	<b>0.00</b>	<b>\$10,666,524</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Women's Health Services

Budget Unit: 90554C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	1,253,467	9,281,097	216,790	10,751,354
TRF				
Total	<u>1,253,467</u>	<u>9,281,097</u>	<u>216,790</u>	<u>10,751,354</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
Pharmacy Reimbursement Allowance Fund (0144)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	1,632,618	8,663,505	216,790	10,512,913
TRF				
Total	<u>1,632,618</u>	<u>8,663,505</u>	<u>216,790</u>	<u>10,512,913</u>
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
Pharmacy Reimbursement Allowance Fund (0144)

## 2. CORE DESCRIPTION

This core request is for ongoing funding for health care services provided to MO HealthNet participants covered through the 1115 Waiver. Funding for this core is used to provide coverage for women's health services.

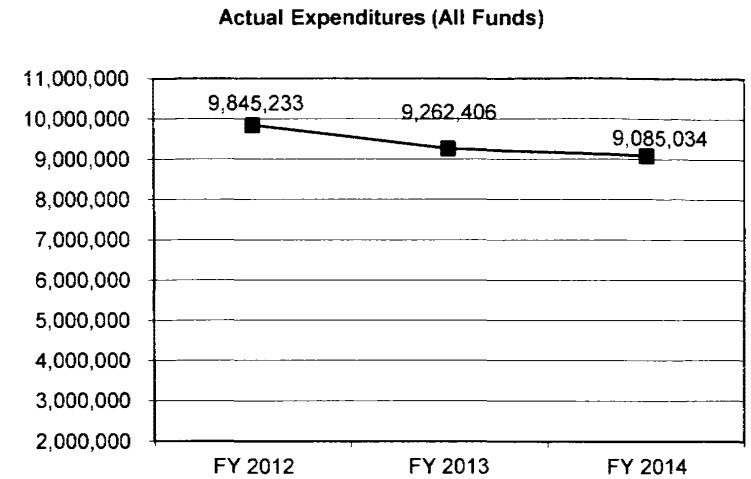
## 3. PROGRAM LISTING (list programs included in this core funding)

Women's Health Services - 1115 Waiver



#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	11,089,178	11,089,177	10,540,915	10,751,324
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	11,089,178	11,089,177	10,540,915	N/A
Actual Expenditures (All Funds)	9,845,233	9,262,406	9,085,034	N/A
Unexpended (All Funds)	1,243,945	1,826,771	1,455,881	N/A
Unexpended, by Fund:				
General Revenue	228,376	0	0	N/A
Federal	886,222	1,635,220	1,406,847	N/A
Other	129,347	191,551	49,034	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY12 Agency Reserve of \$49,034 Pharmacy Reimbursement Allowance Fund.

(2) FY13 Agency Reserve of \$49,034 Pharmacy Reimbursement Allowance Fund.

(3) FY14 Agency Reserve of \$49,034 Pharmacy Reimbursement Allowance Fund.

Cost Per Eligible	
	Women's Health Services PMPM
Pharmacy	\$2.11
Physician Related	\$9.45
EPSDT Services	\$0.01
Hospitals	\$0.15
Total	\$11.72

Source: Table 24 Medical Statistics for Fiscal Year 2014 (Paid Claims Data)

Health care entities use per member per month (PMPM) calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet (MHD) management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**WOMEN'S HEALTH SRVC**

**5. CORE RECONCILIATION DETAIL**

		<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>								
		PD	0.00	1,253,437	9,281,097	216,790	10,751,324	
		<b>Total</b>	<b>0.00</b>	<b>1,253,437</b>	<b>9,281,097</b>	<b>216,790</b>	<b>10,751,324</b>	
<b>DEPARTMENT CORE REQUEST</b>								
		PD	0.00	1,253,437	9,281,097	216,790	10,751,324	
		<b>Total</b>	<b>0.00</b>	<b>1,253,437</b>	<b>9,281,097</b>	<b>216,790</b>	<b>10,751,324</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reduction	1976 2530	PD	0.00	0	(150,969)	0	(150,969)	
Core Reduction	1976 4511	PD	0.00	(87,442)	0	0	(87,442)	
Core Reallocation	2045 2530	PD	0.00	0	(466,623)	0	(466,623)	
Core Reallocation	2045 4511	PD	0.00	466,623	0	0	466,623	
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>379,181</b>	<b>(617,592)</b>	<b>0</b>	<b>(238,411)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		PD	0.00	1,632,618	8,663,505	216,790	10,512,913	
		<b>Total</b>	<b>0.00</b>	<b>1,632,618</b>	<b>8,663,505</b>	<b>216,790</b>	<b>10,512,913</b>	

**DECISION ITEM DETAIL**

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN'S HEALTH SRVC</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	9,085,034	0.00	10,751,324	0.00	10,751,324	0.00	10,512,913	0.00
TOTAL - PD	9,085,034	0.00	10,751,324	0.00	10,751,324	0.00	10,512,913	0.00
<b>GRAND TOTAL</b>	<b>\$9,085,034</b>	<b>0.00</b>	<b>\$10,751,324</b>	<b>0.00</b>	<b>\$10,751,324</b>	<b>0.00</b>	<b>\$10,512,913</b>	<b>0.00</b>
GENERAL REVENUE	\$1,259,044	0.00	\$1,253,437	0.00	\$1,253,437	0.00	\$1,632,618	0.00
FEDERAL FUNDS	\$7,658,234	0.00	\$9,281,097	0.00	\$9,281,097	0.00	\$8,663,505	0.00
OTHER FUNDS	\$167,756	0.00	\$216,790	0.00	\$216,790	0.00	\$216,790	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Women's Health Services**

**Program is found in the following core budget(s): Women's Health Services**

### **1. What does this program do?**

Provides funding for health care services to MO HealthNet clients covered by an approved Centers for Medicare and Medicaid (CMS) 1115 waiver. Clients that are covered through the 1115 waiver receive Women's Health Services.

Under the 1115 Waiver, uninsured women losing their MO HealthNet eligibility 60 days after the birth of their child are eligible for women's health services for one year (12 months). Legislation passed in FY 07 (SB 577) and an approved amendment to the CMS 1115 waiver resulted in the expansion of these services January 1, 2009 to uninsured women who are 18 to 55 years of age, have a net family income at or below 185% FPL with assets totaling less than \$250,000 and have no access to health insurance covering family planning services. These new women are not limited to one year of coverage and remain eligible for the program as long as they continue to meet eligibility requirements and require family planning services. Women's health services are defined as:

- Department of Health and Human Services approved methods of contraception;
- Sexually transmitted disease testing and treatment, including pap tests and pelvic exams;
- Family planning counseling/education on various methods of birth control; and
- Drugs, supplies or devices related to the women's health services described above when they are prescribed by a physician or advanced practice nurse (subject to the national drug rebate program requirements).

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State Statute: RSMo. 208.040, 208.151 and 208.659; Federal law: Social Security Act Sections 1115 and 1923(a)-(f); Federal Regulations: 42 CFR 433 Subpart B and 412.106.

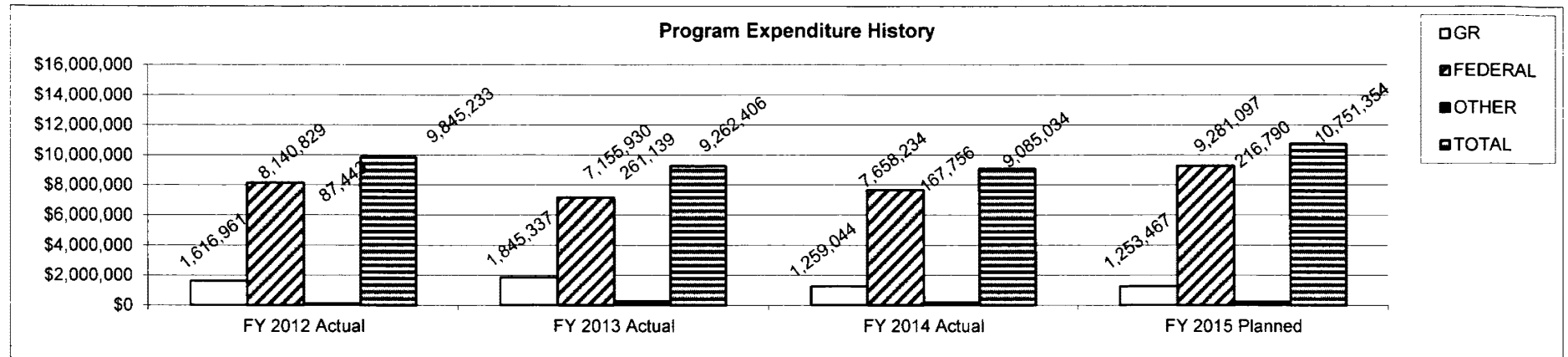
### **3. Are there federal matching requirements? If yes, please explain.**

Most of the services provided through the Women's Health Services program are eligible for an enhanced 90% federal match, requiring a state match of only 10%. The remaining services are matched at the federal medical assistance percentage (FMAP) calculated for MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Missouri's FMAP for FY15 for these remaining services is a blended 63.095% federal match. The state matching requirement is 36.905%.

### **4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

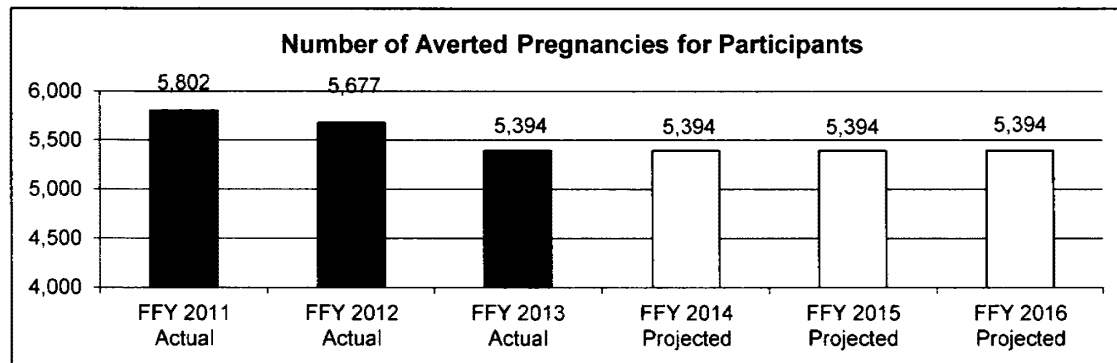


**6. What are the sources of the "Other" funds?**

Federal Reimbursement Allowance Fund (0142) and Pharmacy Reimbursement Allowance Fund (0144).

**7a. Provide an effectiveness measure.**

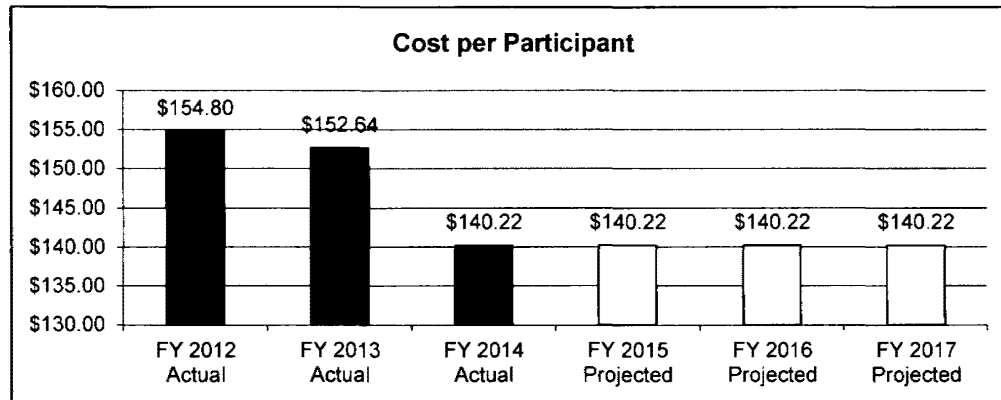
Increase the number of averted pregnancies for participants. The Women's Health Services program provides family planning services to women assisting them in avoiding unintended pregnancies.



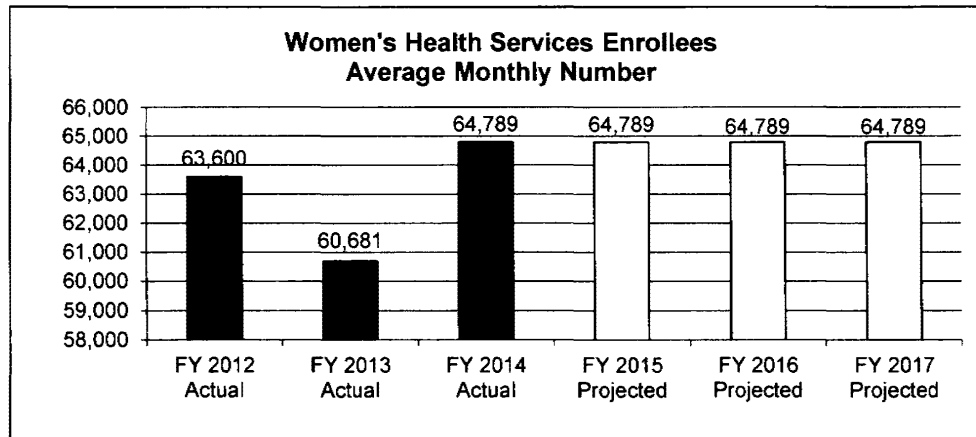
Based on federal fiscal year in which report was submitted to CMS.

**7b. Provide an efficiency measure.**

Provide education and outreach to encourage women to access family planning services. Nearly 65,000 participants accessed family planning services in FY 2014 at a cost of \$9.1 million. The cost per participant was \$140.

**7c. Provide the number of clients/individuals served, if applicable.**

SB 577 (FY07) and an approved amendment to the CMS 1115 waiver provided for an expansion of Women's Health Services to women 18 to 55 years of age with a net family income of 185% FPL or below, with assets less than \$250,000 and no access to insurance covering family planning services. Expanded services began January 1, 2009. The figures in the chart below are based on the average monthly number of participants enrolled in the program for each fiscal year.

**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>CHILDREN'S HEALTH INS PROGRAM</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	637,919	0.00	0	0.00	504,000	0.00	504,000	0.00	
TITLE XIX-FEDERAL AND OTHER	880,906	0.00	0	0.00	696,000	0.00	696,000	0.00	
TOTAL - EE	1,518,825	0.00	0	0.00	1,200,000	0.00	1,200,000	0.00	
PROGRAM-SPECIFIC									
GENERAL REVENUE	29,969,136	0.00	30,926,183	0.00	30,422,183	0.00	29,241,049	0.00	
TITLE XIX-FEDERAL AND OTHER	132,039,632	0.00	134,009,604	0.00	133,313,604	0.00	134,875,209	0.00	
PHARMACY REBATES	581,199	0.00	581,199	0.00	581,199	0.00	581,199	0.00	
FEDERAL REIMBURSEMENT ALLOWANCE	7,719,204	0.00	7,719,204	0.00	7,719,204	0.00	7,719,204	0.00	
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	907,611	0.00	907,611	0.00	907,611	0.00	
HEALTH INITIATIVES	5,214,309	0.00	5,375,576	0.00	4,559,068	0.00	5,375,576	0.00	
LIFE SCIENCES RESEARCH TRUST	171,206	0.00	171,206	0.00	171,206	0.00	171,206	0.00	
PREMIUM	2,592,452	0.00	2,592,452	0.00	2,592,452	0.00	2,592,452	0.00	
TOTAL - PD	178,287,138	0.00	182,283,035	0.00	180,266,527	0.00	181,463,506	0.00	
<b>TOTAL</b>	<b>179,805,963</b>	<b>0.00</b>	<b>182,283,035</b>	<b>0.00</b>	<b>181,466,527</b>	<b>0.00</b>	<b>182,663,506</b>	<b>0.00</b>	
<b>HIF GR Pickup - 1886019</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	816,508	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	816,508	0.00	0	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>816,508</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	
<b>Pharmacy PMPM-Specialty - 1886016</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	1,259,857	0.00	1,117,443	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	3,617,636	0.00	3,287,142	0.00	
TOTAL - PD	0	0.00	0	0.00	4,877,493	0.00	4,404,585	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>4,877,493</b>	<b>0.00</b>	<b>4,404,585</b>	<b>0.00</b>	
<b>Pharmacy PMPM-Non Specialty - 1886025</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	352,508	0.00	232,625	0.00	

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# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>CHILDREN'S HEALTH INS PROGRAM</b>									
Pharmacy PMPM-Non Specialty - 1886025									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,012,216	0.00	684,306	0.00	
TOTAL - PD	0	0.00	0	0.00	1,364,724	0.00	916,931	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,364,724</b>	<b>0.00</b>	<b>916,931</b>	<b>0.00</b>	
Managed Care Actuarial Increas - 1886010									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	1,082,084	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	3,107,168	0.00	1,938,497	0.00	
TOTAL - PD	0	0.00	0	0.00	4,189,252	0.00	1,938,497	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>4,189,252</b>	<b>0.00</b>	<b>1,938,497</b>	<b>0.00</b>	
FMAP ADJUSTMENT - 1886032									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	1,720,437	0.00	
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,720,437	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,720,437</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$179,805,963</b>	<b>0.00</b>	<b>\$182,283,035</b>	<b>0.00</b>	<b>\$192,714,504</b>	<b>0.00</b>	<b>\$191,643,956</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Children's Health Insurance Program (CHIP)

Budget Unit: 90556C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE	504,000	696,000		1,200,000
PSD	30,422,183	133,313,604	16,530,740	180,266,527
TRF				
Total	30,926,183	134,009,604	16,530,740	181,466,527

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
 Health Initiative Fund (HIF) (0275)  
 Pharmacy Rebates Fund (0114)  
 Pharmacy Reimbursement Allowance Fund (0144)  
 Premium Fund (0885)  
 Life Sciences Research Trust Fund (0763)

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	504,000	696,000		1,200,000
PSD	29,241,049	134,875,209	17,347,248	181,463,506
TRF				
Total	29,745,049	135,571,209	17,347,248	182,663,506

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
 Health Initiative Fund (HIF) (0275)  
 Pharmacy Rebates Fund (0114)  
 Pharmacy Reimbursement Allowance Fund (0144)  
 Premium Fund (0885)  
 Life Sciences Research Trust Fund (0763)

## 2. CORE DESCRIPTION

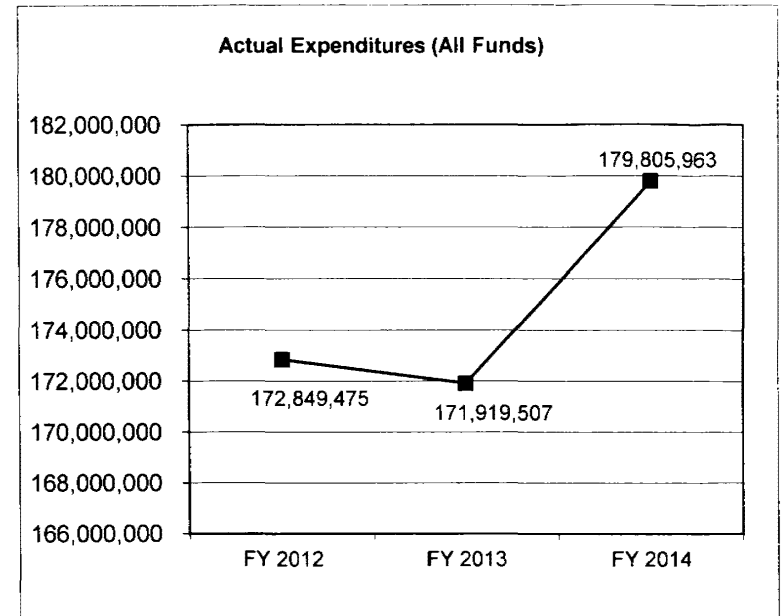
This core request is for ongoing funding for health care services provided to MO HealthNet clients. The Children's Health Insurance Program (CHIP) Title XXI funds are utilized for this expanded MO HealthNet population. Funding for this core is used to provide coverage for uninsured children.

## 3. PROGRAM LISTING (list programs included in this core funding)

Children's Health Insurance Program (CHIP)

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	177,733,546	177,733,545	180,875,309	182,283,035
Less Reverted (All Funds)	(161,267)	(161,267)	(161,267)	N/A
Budget Authority (All Funds)	177,572,279	177,572,278	180,714,042	N/A
Actual Expenditures (All Funds)	172,849,475	171,919,507	179,805,963	N/A
Unexpended (All Funds)	4,722,804	5,652,771	908,079	N/A
Unexpended, by Fund:				
General Revenue	0	0	468	N/A
Federal	0	4,745,160	0	N/A
Other	4,722,804	907,611	907,611	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY12 Supplemental Pool Expenditures \$132,203.

(2) FY13 Agency reserve of \$907,611 in Pharmacy Reimbursement Allowance. There were \$659,518 CHIP expenditures made from the Supplemental Pool.

(3) FY14 Agency reserve of \$907,611 in Pharmacy Reimbursement Allowance. There were \$983,508 CHIP expenditures made from the Supplemental Pool and \$3,512,297 made from Managed Care.

#### 4. FINANCIAL HISTORY

CHIP Cost Per Eligible	
	CHIP PMPM
Pharmacy	\$69.76
Physician Related	\$15.03
Dental	\$2.10
In-Home Services	\$0.04
Rehab & Specialty	\$2.65
EPSDT Services	\$13.35
Managed Care	\$94.76
Hospitals	\$22.76
Mental Health Services	\$10.74
Services provided in State Inst	\$0.97
Total	\$232.16

Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The per member per month (PMPM) metric provides MO HealthNet (MHD) management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

Mental Health Services and Services provided in a State Institution are not part of this core.

Source: Table 23 Medical Statistics for Fiscal Year 2014 (Paid Claims Data)

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES CHILDREN'S HEALTH INS PROGRAM

#### 5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>									
			PD	0.00	30,926,183	134,009,604	17,347,248	182,283,035	
			<b>Total</b>	<b>0.00</b>	<b>30,926,183</b>	<b>134,009,604</b>	<b>17,347,248</b>	<b>182,283,035</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>									
Core Reduction	1647 2869		PD	0.00	0	0	(816,508)	(816,508)	Reduction of empty authority in HIF fund
Core Reallocation	751 2866		EE	0.00	504,000	0	0	504,000	Core reallocation more closely aligns budget with planned spending.
Core Reallocation	751 2867		EE	0.00	0	696,000	0	696,000	Core reallocation more closely aligns budget with planned spending.
Core Reallocation	751 2866		PD	0.00	(504,000)	0	0	(504,000)	Core reallocation more closely aligns budget with planned spending.
Core Reallocation	751 2867		PD	0.00	0	(696,000)	0	(696,000)	Core reallocation more closely aligns budget with planned spending.
<b>NET DEPARTMENT CHANGES</b>				<b>0.00</b>	<b>0</b>	<b>0</b>	<b>(816,508)</b>	<b>(816,508)</b>	
<b>DEPARTMENT CORE REQUEST</b>									
			EE	0.00	504,000	696,000	0	1,200,000	
			PD	0.00	30,422,183	133,313,604	16,530,740	180,266,527	
			<b>Total</b>	<b>0.00</b>	<b>30,926,183</b>	<b>134,009,604</b>	<b>16,530,740</b>	<b>181,466,527</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>									
Core Reduction	1647 2869		PD	0.00	0	0	816,508	816,508	Reduction of empty authority in HIF fund
Core Reduction	2046 2866		PD	0.00	(1,720,437)	0	0	(1,720,437)	

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**CHILDREN'S HEALTH INS PROGRAM**

**5. CORE RECONCILIATION DETAIL**

		<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reallocation	1789 2867	PD	0.00	0	5,023,064	0	5,023,064	Reallocate from Physicians to Managed Care and CHIP from FQHC/RHC interim payments included in Capitation rates
Core Reallocation	1789 2866	PD	0.00	1,734,724	0	0	1,734,724	Reallocate from Physicians to Managed Care and CHIP from FQHC/RHC interim payments included in Capitation rates
Core Reallocation	1989 2867	PD	0.00	0	(3,461,459)	0	(3,461,459)	
Core Reallocation	1989 2866	PD	0.00	(1,195,421)	0	0	(1,195,421)	
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>(1,181,134)</b>	<b>1,561,605</b>	<b>816,508</b>	<b>1,196,979</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		EE	0.00	504,000	696,000	0	1,200,000	
		PD	0.00	29,241,049	134,875,209	17,347,248	181,463,506	
		<b>Total</b>	<b>0.00</b>	<b>29,745,049</b>	<b>135,571,209</b>	<b>17,347,248</b>	<b>182,663,506</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CHILDREN'S HEALTH INS PROGRAM</b>								
<b>CORE</b>								
SUPPLIES	1,518,825	0.00	0	0.00	1,200,000	0.00	1,200,000	0.00
TOTAL - EE	1,518,825	0.00	0	0.00	1,200,000	0.00	1,200,000	0.00
PROGRAM DISTRIBUTIONS	178,287,138	0.00	182,283,035	0.00	180,266,527	0.00	181,463,506	0.00
TOTAL - PD	178,287,138	0.00	182,283,035	0.00	180,266,527	0.00	181,463,506	0.00
<b>GRAND TOTAL</b>	<b>\$179,805,963</b>	<b>0.00</b>	<b>\$182,283,035</b>	<b>0.00</b>	<b>\$181,466,527</b>	<b>0.00</b>	<b>\$182,663,506</b>	<b>0.00</b>
GENERAL REVENUE	\$30,607,055	0.00	\$30,926,183	0.00	\$30,926,183	0.00	\$29,745,049	0.00
FEDERAL FUNDS	\$132,920,538	0.00	\$134,009,604	0.00	\$134,009,604	0.00	\$135,571,209	0.00
OTHER FUNDS	\$16,278,370	0.00	\$17,347,248	0.00	\$16,530,740	0.00	\$17,347,248	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Children's Health Insurance Program (CHIP)**

**Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)**

### 1. What does this program do?

The Children's Health Insurance Program is integrated into Missouri's MO HealthNet coverage. This integration was made possible through the passage of Senate Bill 632 of the second regular session of the 89th General Assembly (1998). Senate Bill 632 expanded the MO HealthNet program for children with family incomes up to 300% of the federal poverty level. The Affordable Care Act (ACA, P.L. 111-148 and P.L. 111-152) authorized funding for the CHIP program through the end of FFY 2015. Reauthorization for the CHIP program is currently pending for FFY2016.

Using CHIP, Missouri continues its commitment to improve medical care for its low income children by increasing their access to comprehensive medical services.

Eligible children must be under age 19, have a family income below 300% of the federal poverty level, be uninsured for ninety (90) days or more, and have no access to other health insurance coverage for less than \$74 to \$185 per month during SFY14 based on family size and income. Any child identified as having special health care needs (defined as a condition which left untreated would result in the death or serious physical injury of a child) who does not have access to affordable employer-subsidized health care insurance will not be required to be without health care coverage for ninety (90) days in order to be eligible for services. They are also not subject to the waiting period as long as the child meets all other qualifications for eligibility.

Uninsured children with family income of 150% FPL or below receive a package of benefits equal to MO HealthNet coverage. Uninsured children with family income above 150% FPL receive a package of benefits equal to MO HealthNet coverage, excluding non-emergency medical transportation. Parents of children eligible for coverage above 150% and below 300% of the federal poverty level must show parental responsibility through the following:

- participation in immunization and wellness programs;
- furnishing the uninsured child's social security number;
- cooperation with third party insurance carriers;
- sharing in their children's health care costs through premiums.

CHIP Rate History: MO HealthNet needs to maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. Federal Regulation 42 CFR 438-Managed Care and State Authority 208.166 require capitation payments made on behalf of managed care participants be actuarially sound. Following are the prior year CHIP Managed Care Actuarial Increases: FY 2010 \$5,102,588; FY 2011 No Increase; FY 2012 \$5,947,491; FY 2013 No Increase; FY 2014 \$494,873.

### MO HealthNet For Kids By Age and Income

% of Federal Poverty Level	225+ -300	Premium Group		
	185+ -225	Premium Group (\$45-\$122)		
	150+ -185	Premium Group (\$14-\$37)		
	134+ -150			
	100+ -133			
	0-100	Non Premium Group		
		0 Years Old	1 thru 5 Years Old	6 thru 18 Years Old

(Premium range is based on family size of 1-6)



**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.631 through 208.657; Federal law: Social Security Act, Title XXI; Federal Regulations: 42 CFR 457.

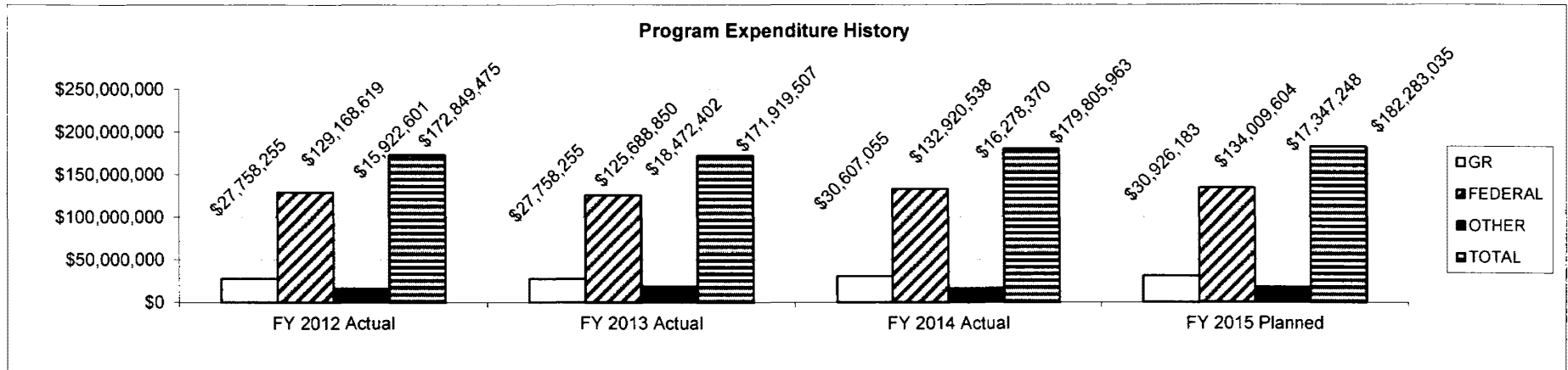
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Missouri's enhanced CHIP FMAP for FY15 is a blended 74.170% federal match. The state matching requirement for the CHIP program is 25.830%.

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



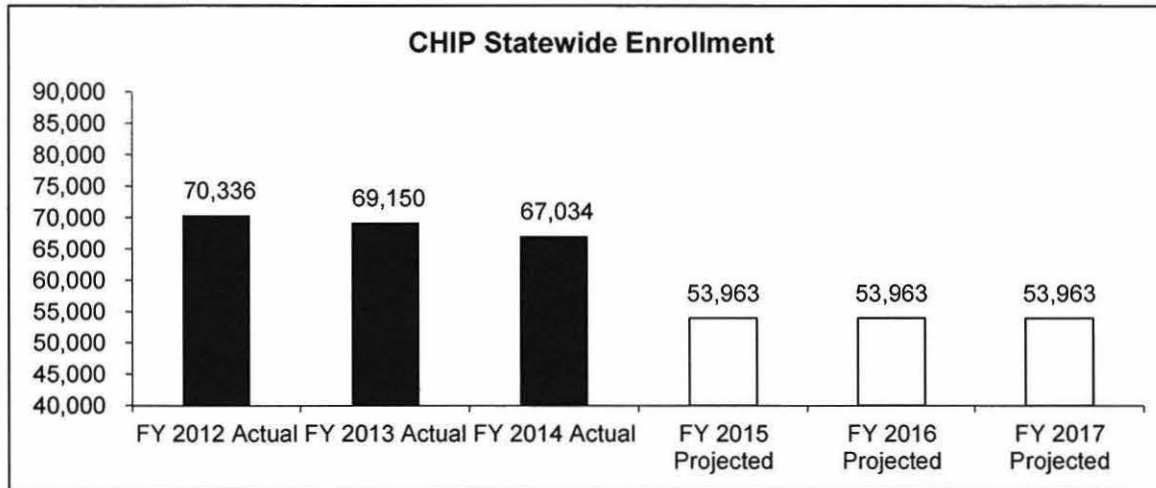
FY 12 actual expenditures do not reflect \$132,203 paid from supplemental pool.

**6. What are the sources of the "Other" funds?**

Pharmacy Rebates Fund (0114), Federal Reimbursement Allowance Fund (0142), Pharmacy Reimbursement Allowance Fund (0144), Health Initiatives Fund (0275), Premium Fund (0885), Life Sciences Research Trust Fund (0763).

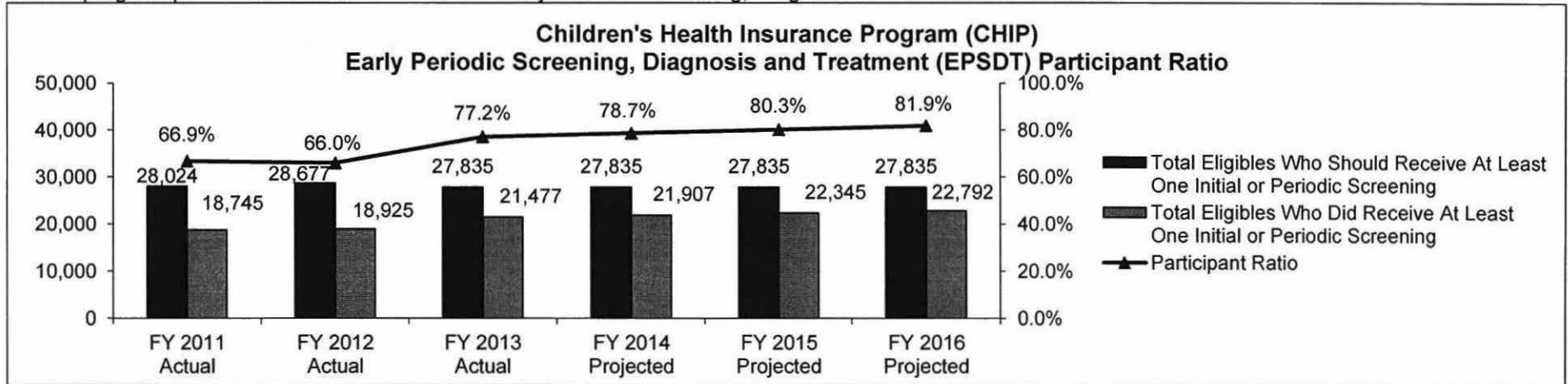
**7a. Provide an effectiveness measure.**

The CHIP program continues to provide health care coverage to thousands of Missouri's children. These children would be uninsured without CHIP coverage.



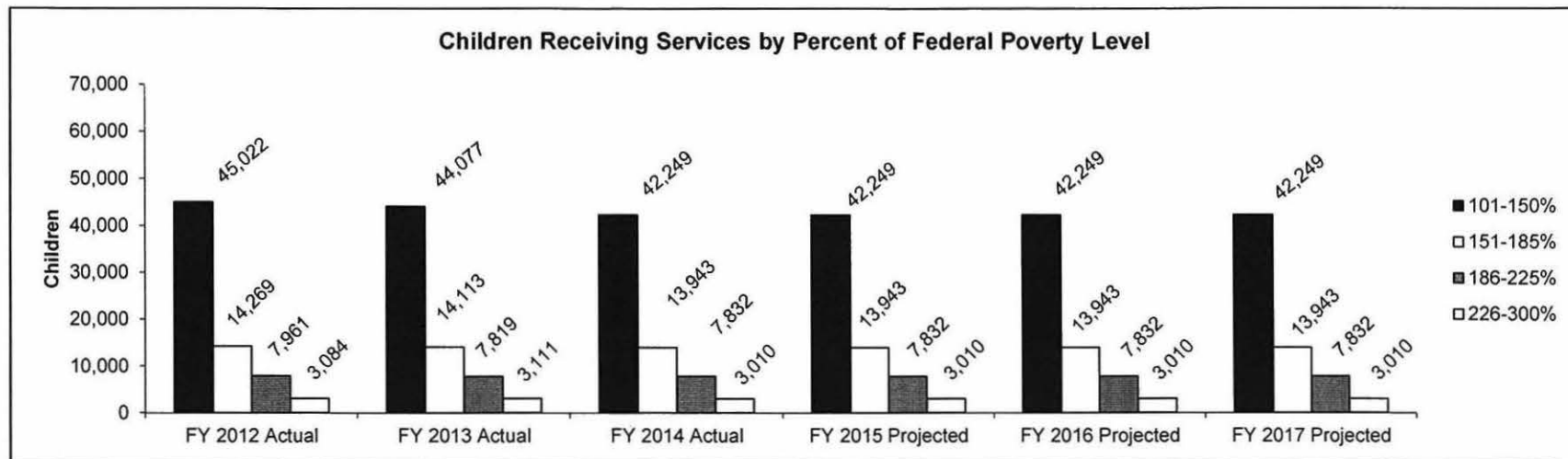
**7b. Provide an efficiency measure.**

The CHIP program provides uninsured children with Early Periodic Screening, Diagnosis and Treatment services.



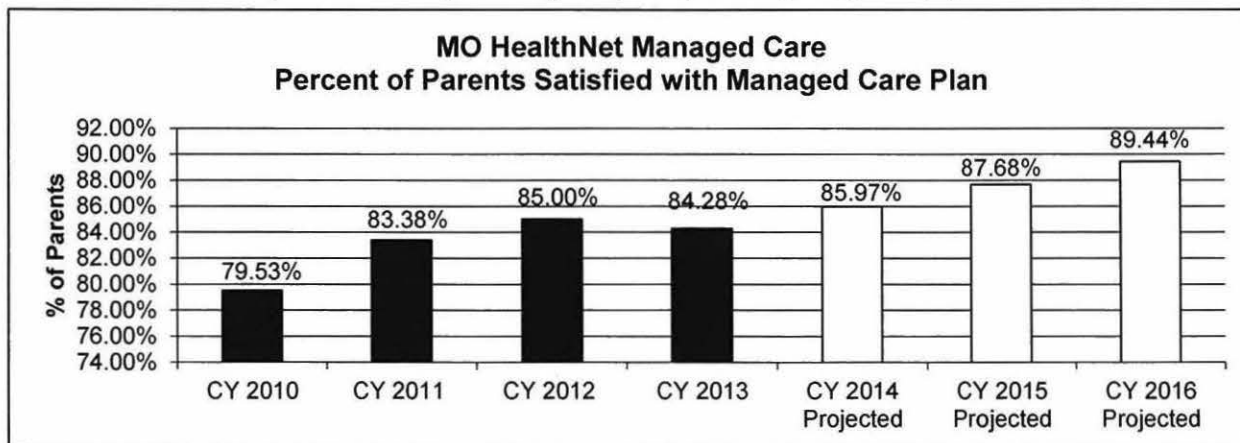
**7c. Provide the number of clients/individuals served, if applicable.**

Participants are children above the existing Title XIX Medicaid eligibility up to 300% of the federal poverty level (FPL). As of September 2005, children in the categories from 151-300% of the federal poverty level (FPL) are required to pay premiums.



**7d. Provide a customer satisfaction measure, if available.**

Children with CHIP coverage who reside in a MO HealthNet Managed Care region, receive their services from the MO HealthNet Managed Care health plans. Participants enrolled in MO HealthNet Managed Care health plans reported their satisfaction with the program on a scale of 0 to 10. 0 was the worst care possible and a 10 was the best care possible. The percentage of participants reporting an 8, 9, or 10 is reported in the chart below.





# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>GR FRA-TRANSFER</b>									
<b>CORE</b>									
FUND TRANSFERS									
GENERAL REVENUE	569,173,828	0.00	584,612,737	0.00	584,612,737	0.00	584,612,737	0.00	0.00
TOTAL - TRF	569,173,828	0.00	584,612,737	0.00	584,612,737	0.00	584,612,737	0.00	0.00
<b>TOTAL</b>	<b>569,173,828</b>	<b>0.00</b>	<b>584,612,737</b>	<b>0.00</b>	<b>584,612,737</b>	<b>0.00</b>	<b>584,612,737</b>	<b>0.00</b>	<b>0.00</b>
<b>Transfer Authority Increase - 1886012</b>									
FUND TRANSFERS									
GENERAL REVENUE	0	0.00	0	0.00	47,494,763	0.00	47,494,763	0.00	0.00
TOTAL - TRF	0	0.00	0	0.00	47,494,763	0.00	47,494,763	0.00	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>47,494,763</b>	<b>0.00</b>	<b>47,494,763</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$569,173,828</b>	<b>0.00</b>	<b>\$584,612,737</b>	<b>0.00</b>	<b>\$632,107,500</b>	<b>0.00</b>	<b>\$632,107,500</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: GR Federal Reimbursement Allowance - Transfer

Budget Unit 90840C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	584,612,737			584,612,737
Total	<b>584,612,737</b>	<b>0</b>	<b>0</b>	<b>584,612,737</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	584,612,737			584,612,737
Total	<b>584,612,737</b>	<b>0</b>	<b>0</b>	<b>584,612,737</b>

FTE

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

## 2. CORE DESCRIPTION

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

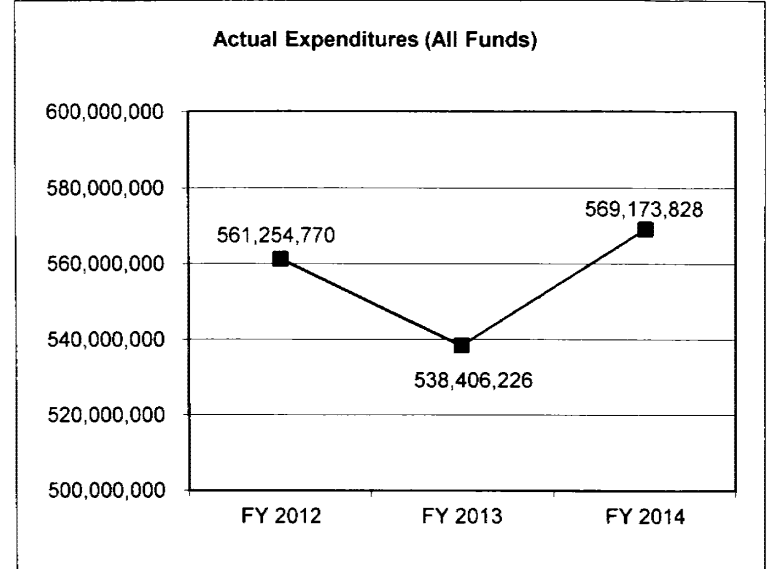
## 3. PROGRAM LISTING (list programs included in this core funding)

GR Federal Reimbursement Allowance - Transfer

**CORE DECISION ITEM**

**4. FINANCIAL HISTORY**

	<b>FY 2012 Actual</b>	<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Current Yr.</b>
Appropriation (All Funds)	561,300,000	538,406,226	569,173,828	584,612,737
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	561,300,000	538,406,226	569,173,828	N/A
Actual Expenditures (All Funds)	561,254,770	538,406,226	569,173,828	N/A
Unexpended (All Funds)	45,230	0	0	N/A
Unexpended, by Fund:				
General Revenue	45,230		0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
	<b>(1)</b>	<b>(2)</b>		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

**NOTES:**

**(1)** FY12 There was an "E" increase of \$111,300,000.

**(2)** FY13 Estimated appropriation or "E" status was removed. There was a supplemental increase of \$68,406,226.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****GR FRA-TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<hr/>							
<b>TAFP AFTER VETOES</b>							
	TRF	0.00	584,612,737	0	0	584,612,737	
	<b>Total</b>	<b>0.00</b>	<b>584,612,737</b>	<b>0</b>	<b>0</b>	<b>584,612,737</b>	
<hr/>							
<b>DEPARTMENT CORE REQUEST</b>							
	TRF	0.00	584,612,737	0	0	584,612,737	
	<b>Total</b>	<b>0.00</b>	<b>584,612,737</b>	<b>0</b>	<b>0</b>	<b>584,612,737</b>	
<hr/>							
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	TRF	0.00	584,612,737	0	0	584,612,737	
	<b>Total</b>	<b>0.00</b>	<b>584,612,737</b>	<b>0</b>	<b>0</b>	<b>584,612,737</b>	
<hr/>							



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>GR FRA-TRANSFER</b>								
<b>CORE</b>								
TRANSFERS OUT	569,173,828	0.00	584,612,737	0.00	584,612,737	0.00	584,612,737	0.00
TOTAL - TRF	569,173,828	0.00	584,612,737	0.00	584,612,737	0.00	584,612,737	0.00
<b>GRAND TOTAL</b>	<b>\$569,173,828</b>	<b>0.00</b>	<b>\$584,612,737</b>	<b>0.00</b>	<b>\$584,612,737</b>	<b>0.00</b>	<b>\$584,612,737</b>	<b>0.00</b>
GENERAL REVENUE	\$569,173,828	0.00	\$584,612,737	0.00	\$584,612,737	0.00	\$584,612,737	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: GR Federal Reimbursement Allowance - Transfer

Program is found in the following core budget(s): GR Federal Reimbursement Allowance - Transfer

**1. What does this program do?**

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

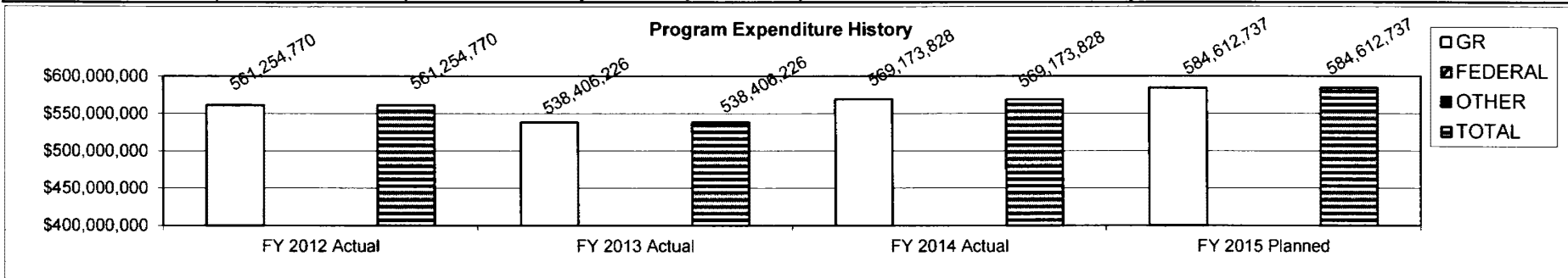
**3. Are there federal matching requirements? If yes, please explain.**

No.

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

N/A

**7a. Provide an effectiveness measure.**

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section.

**7b. Provide an efficiency measure.**

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section.

**7c. Provide the number of clients/individuals served, if applicable.**

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section.

**7d. Provide a customer satisfaction measure, if available.**

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section.



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>FED REIMBURSE ALLOW-TRANSFER</b>									
<b>CORE</b>									
<b>FUND TRANSFERS</b>									
FEDERAL REIMBURSEMENT ALLOWANCE	569,173,828	0.00	584,612,737	0.00	584,612,737	0.00	584,612,737	0.00	0.00
TOTAL - TRF	569,173,828	0.00	584,612,737	0.00	584,612,737	0.00	584,612,737	0.00	0.00
<b>TOTAL</b>	<b>569,173,828</b>	<b>0.00</b>	<b>584,612,737</b>	<b>0.00</b>	<b>584,612,737</b>	<b>0.00</b>	<b>584,612,737</b>	<b>0.00</b>	<b>0.00</b>
<b>Transfer Authority Increase - 1886012</b>									
<b>FUND TRANSFERS</b>									
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	0	0.00	47,494,763	0.00	47,494,763	0.00	0.00
TOTAL - TRF	0	0.00	0	0.00	47,494,763	0.00	47,494,763	0.00	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>47,494,763</b>	<b>0.00</b>	<b>47,494,763</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$569,173,828</b>	<b>0.00</b>	<b>\$584,612,737</b>	<b>0.00</b>	<b>\$632,107,500</b>	<b>0.00</b>	<b>\$632,107,500</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Federal Reimbursement Allowance - Transfer

Budget Unit 90845C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			584,612,737	584,612,737
Total	0	0	584,612,737	584,612,737

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance (0142)

	FY 2016 Governor's Recommendation			
PS				
EE				
PSD				
TRF			584,612,737	584,612,737
Total	0	0	584,612,737	584,612,737

FTE

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance (0142)

## 2. CORE DESCRIPTION

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

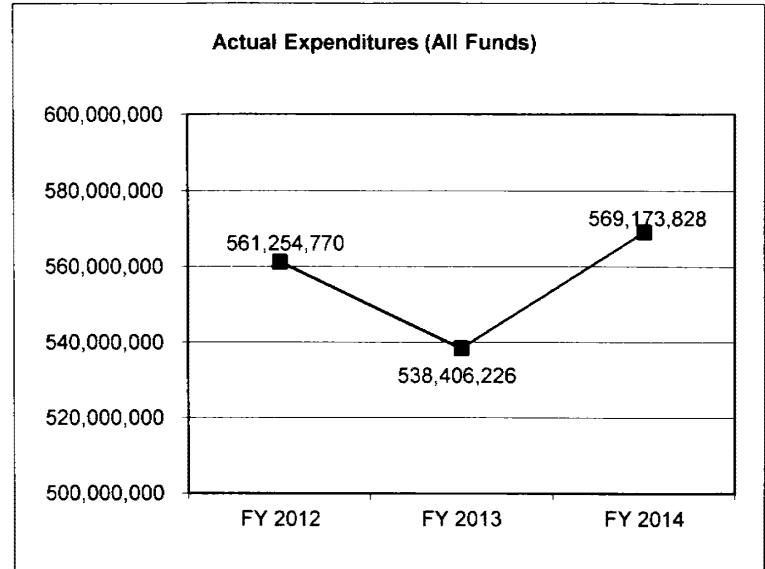
## 3. PROGRAM LISTING (list programs included in this core funding)

Federal Reimbursement Allowance - Transfer

**CORE DECISION ITEM**

**4. FINANCIAL HISTORY**

	<b>FY 2012 Actual</b>	<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Current Yr.</b>
Appropriation (All Funds)	561,300,000	538,406,226	569,173,828	584,612,737
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	561,300,000	538,406,226	569,173,828	N/A
Actual Expenditures (All Funds)	561,254,770	538,406,226	569,173,828	N/A
Unexpended (All Funds)	45,230	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	45,230	0	0	N/A
	<b>(1)</b>	<b>(2)</b>		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

**NOTES:**

**(1)** FY12 There was an "E" increase of \$111,300,000.

**(2)** FY13 Estimated appropriation or "E" status was removed. There was a supplemental increase of \$68,406,226.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**FED REIMBURSE ALLOW-TRANSFER**

**5. CORE RECONCILIATION DETAIL**

	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	TRF	0.00	0	0	584,612,737	584,612,737	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>584,612,737</b>	<b>584,612,737</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	TRF	0.00	0	0	584,612,737	584,612,737	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>584,612,737</b>	<b>584,612,737</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	TRF	0.00	0	0	584,612,737	584,612,737	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>584,612,737</b>	<b>584,612,737</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>FED REIMBURSE ALLOW-TRANSFER</b>								
<b>CORE</b>								
TRANSFERS OUT	569,173,828	0.00	584,612,737	0.00	584,612,737	0.00	584,612,737	0.00
TOTAL - TRF	569,173,828	0.00	584,612,737	0.00	584,612,737	0.00	584,612,737	0.00
<b>GRAND TOTAL</b>	<b>\$569,173,828</b>	<b>0.00</b>	<b>\$584,612,737</b>	<b>0.00</b>	<b>\$584,612,737</b>	<b>0.00</b>	<b>\$584,612,737</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$569,173,828	0.00	\$584,612,737	0.00	\$584,612,737	0.00	\$584,612,737	0.00



## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Federal Reimbursement Allowance - Transfer

Program is found in the following core budget(s): Federal Reimbursement Allowance - Transfer

### 1. What does this program do?

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

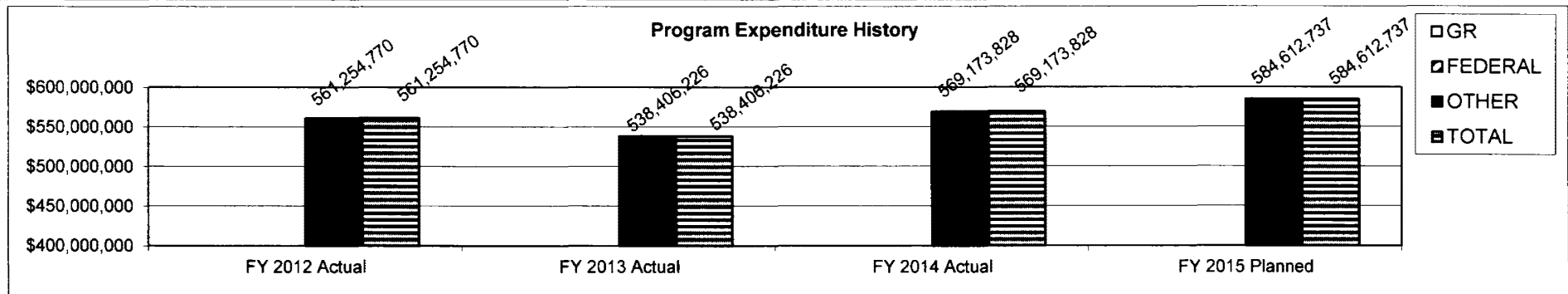
### 3. Are there federal matching requirements? If yes, please explain.

No.

### 4. Is this a federally mandated program? If yes, please explain.

No.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



### 6. What are the sources of the "Other " funds?

Federal Reimbursement Allowance (0142)

#### 7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section

#### 7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section

#### 7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section

#### 7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section.



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>GR NFFRA-TRANSFER</b>									
<b>CORE</b>									
FUND TRANSFERS									
GENERAL REVENUE	184,574,448	0.00	210,950,510	0.00	210,950,510	0.00	210,950,510	0.00	0.00
TOTAL - TRF	184,574,448	0.00	210,950,510	0.00	210,950,510	0.00	210,950,510	0.00	0.00
<b>TOTAL</b>	<b>184,574,448</b>	<b>0.00</b>	<b>210,950,510</b>	<b>0.00</b>	<b>210,950,510</b>	<b>0.00</b>	<b>210,950,510</b>	<b>0.00</b>	<b>0.00</b>
<b>Transfer Authority Increase - 1886012</b>									
FUND TRANSFERS									
GENERAL REVENUE	0	0.00	0	0.00	2,972,502	0.00	0	0.00	0.00
TOTAL - TRF	0	0.00	0	0.00	2,972,502	0.00	0	0.00	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2,972,502</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$184,574,448</b>	<b>0.00</b>	<b>\$210,950,510</b>	<b>0.00</b>	<b>\$213,923,012</b>	<b>0.00</b>	<b>\$210,950,510</b>	<b>0.00</b>	<b>0.00</b>

# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: GR NFRA Transfer

Budget Unit: 90850C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	210,950,510			210,950,510
Total	<u>210,950,510</u>	<u>0</u>	<u>0</u>	<u>210,950,510</u>
FTE	0.00	0.00	0.00	0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	210,950,510			210,950,510
Total	<u>210,950,510</u>	<u>0</u>	<u>0</u>	<u>210,950,510</u>
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

## 2. CORE DESCRIPTION

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. These transfers allow the state to draw federal match for nursing facility services provided by public entities.

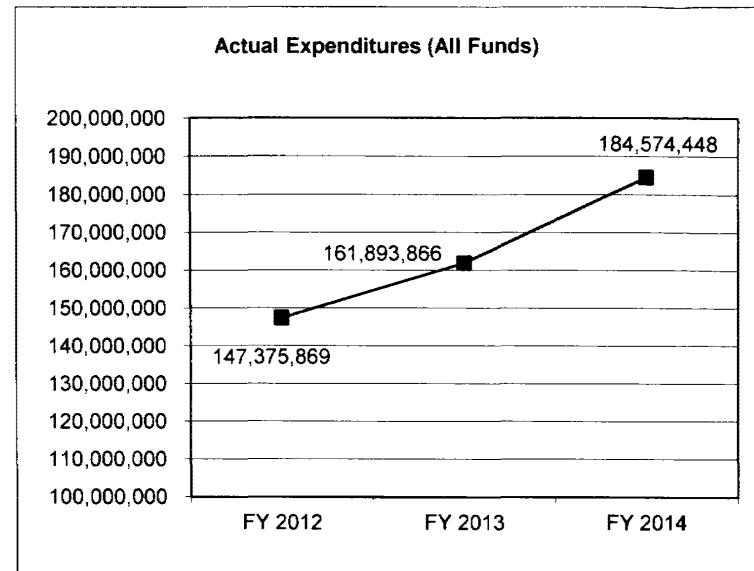
## 3. PROGRAM LISTING (list programs included in this core funding)

GR NFRA Transfer

# CORE DECISION ITEM

## 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	147,500,000	161,893,866	184,574,448	210,950,510
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	147,500,000	161,893,866	184,574,448	N/A
Actual Expenditures (All Funds)	147,375,869	161,893,866	184,574,448	N/A
Unexpended (All Funds)	124,131	0	0	N/A
Unexpended, by Fund:				
General Revenue	124,131	-	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
		(1)	(2)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

### NOTES:

(1) FY13 There was a supplemental increase of \$29,893,866.

(2) FY14 There was a supplemental increase of \$22,680,582

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES**

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**GR NFFRA-TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	TRF	0.00	210,950,510	0	0	210,950,510	
	<b>Total</b>	<b>0.00</b>	<b>210,950,510</b>	<b>0</b>	<b>0</b>	<b>210,950,510</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	TRF	0.00	210,950,510	0	0	210,950,510	
	<b>Total</b>	<b>0.00</b>	<b>210,950,510</b>	<b>0</b>	<b>0</b>	<b>210,950,510</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	TRF	0.00	210,950,510	0	0	210,950,510	
	<b>Total</b>	<b>0.00</b>	<b>210,950,510</b>	<b>0</b>	<b>0</b>	<b>210,950,510</b>	

**DECISION ITEM DETAIL**

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>GR NFFRA-TRANSFER</b>								
<b>CORE</b>								
TRANSFERS OUT	184,574,448	0.00	210,950,510	0.00	210,950,510	0.00	210,950,510	0.00
TOTAL - TRF	184,574,448	0.00	210,950,510	0.00	210,950,510	0.00	210,950,510	0.00
<b>GRAND TOTAL</b>	<b>\$184,574,448</b>	<b>0.00</b>	<b>\$210,950,510</b>	<b>0.00</b>	<b>\$210,950,510</b>	<b>0.00</b>	<b>\$210,950,510</b>	<b>0.00</b>
GENERAL REVENUE	\$184,574,448	0.00	\$210,950,510	0.00	\$210,950,510	0.00	\$210,950,510	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: GR NFRA Transfer

Program is found in the following core budget(s): GR NFRA Transfer

**1. What does this program do?**

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. This funding maximizes eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

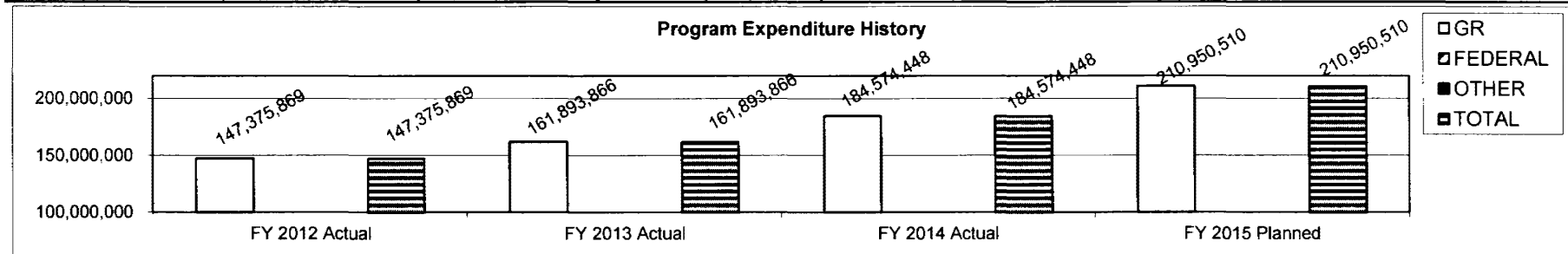
**3. Are there federal matching requirements? If yes, please explain.**

No.

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

N/A

**7a. Provide an effectiveness measure.**

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

**7b. Provide an efficiency measure.**

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

**7c. Provide the number of clients/individuals served, if applicable.**

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

**7d. Provide a customer satisfaction measure, if available.**

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.





# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>NURSING FACILITY REIM-TRANSFER</b>									
<b>CORE</b>									
FUND TRANSFERS									
NURSING FACILITY FED REIM ALLW	184,574,448	0.00	210,950,510	0.00	210,950,510	0.00	210,950,510	0.00	0.00
TOTAL - TRF	184,574,448	0.00	210,950,510	0.00	210,950,510	0.00	210,950,510	0.00	0.00
<b>TOTAL</b>	<b>184,574,448</b>	<b>0.00</b>	<b>210,950,510</b>	<b>0.00</b>	<b>210,950,510</b>	<b>0.00</b>	<b>210,950,510</b>	<b>0.00</b>	<b>0.00</b>
<b>Transfer Authority Increase - 1886012</b>									
FUND TRANSFERS									
NURSING FACILITY FED REIM ALLW	0	0.00	0	0.00	2,972,502	0.00	0	0.00	0.00
TOTAL - TRF	0	0.00	0	0.00	2,972,502	0.00	0	0.00	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2,972,502</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$184,574,448</b>	<b>0.00</b>	<b>\$210,950,510</b>	<b>0.00</b>	<b>\$213,923,012</b>	<b>0.00</b>	<b>\$210,950,510</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Nursing Facility Reimbursement Transfer

Budget Unit: 90855C

## 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			210,950,510	210,950,510
Total	0	0	210,950,510	210,950,510
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Nursing Facility Federal Reimbursement Allowance (0196)

	FY 2016 Governor's Recommendation			
PS				
EE				
PSD				
TRF			210,950,510	210,950,510
Total	0	0	210,950,510	210,950,510
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Nursing Facility Federal Reimbursement Allowance (0196)

## 2. CORE DESCRIPTION

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. These transfers allows the state to draw federal match for nursing facility services provided by public entities.

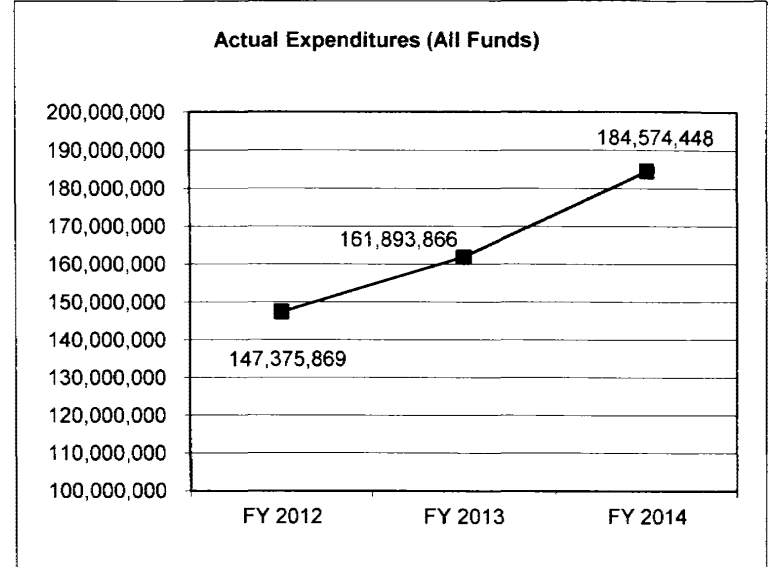
## 3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facility Reimbursement Transfer

**CORE DECISION ITEM**

**4. FINANCIAL HISTORY**

	<b>FY 2012 Actual</b>	<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Current Yr.</b>
Appropriation (All Funds)	147,500,000	161,893,866	184,574,448	210,950,510
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	147,500,000	161,893,866	184,574,448	N/A
Actual Expenditures (All Funds)	147,375,869	161,893,866	184,574,448	N/A
Unexpended (All Funds)	124,131	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	124,131	0	0	N/A
		<b>(1)</b>	<b>(2)</b>	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

**NOTES:**

**(1)** FY13 There was a supplemental increase of \$29,893,866.

**(2)** FY14 There was a supplemental increase of \$22,680,582.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****NURSING FACILITY REIM-TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	TRF	0.00	0	0	210,950,510	210,950,510	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>210,950,510</b>	<b>210,950,510</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	TRF	0.00	0	0	210,950,510	210,950,510	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>210,950,510</b>	<b>210,950,510</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	TRF	0.00	0	0	210,950,510	210,950,510	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>210,950,510</b>	<b>210,950,510</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITY REIM-TRANSFER</b>								
<b>CORE</b>								
TRANSFERS OUT	184,574,448	0.00	210,950,510	0.00	210,950,510	0.00	210,950,510	0.00
TOTAL - TRF	184,574,448	0.00	210,950,510	0.00	210,950,510	0.00	210,950,510	0.00
<b>GRAND TOTAL</b>	<b>\$184,574,448</b>	<b>0.00</b>	<b>\$210,950,510</b>	<b>0.00</b>	<b>\$210,950,510</b>	<b>0.00</b>	<b>\$210,950,510</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$184,574,448	0.00	\$210,950,510	0.00	\$210,950,510	0.00	\$210,950,510	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Nursing Facility Reimbursement Transfer

Program is found in the following core budget(s): Nursing Facility Reimbursement Transfer

### 1. What does this program do?

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. This funding maximizes eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

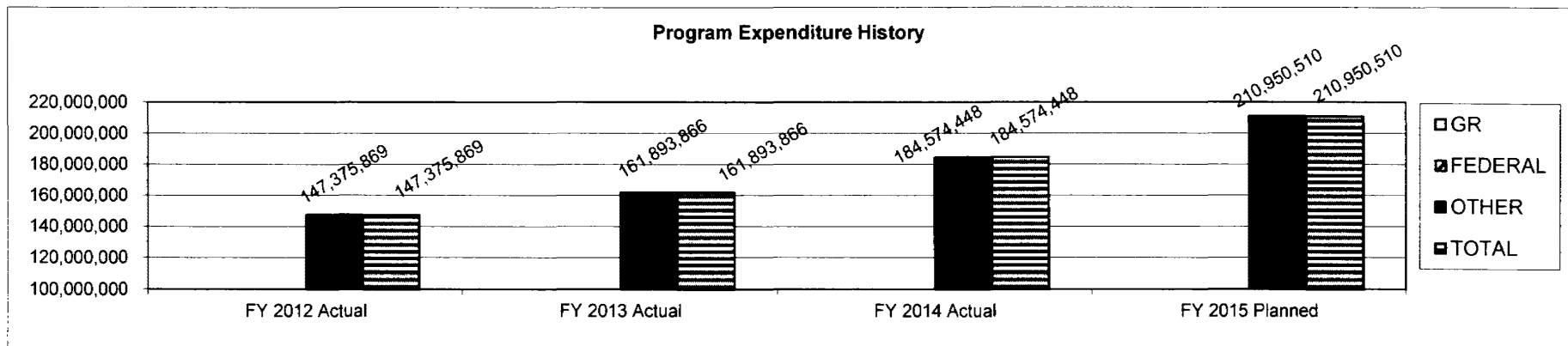
### 3. Are there federal matching requirements? If yes, please explain.

No.

### 4. Is this a federally mandated program? If yes, please explain.

No.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



**6. What are the sources of the "Other " funds?**

Nursing Facility Federal Reimbursement Allowance (0196)

**7a. Provide an effectiveness measure.**

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

**7b. Provide an efficiency measure.**

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

**7c. Provide the number of clients/individuals served, if applicable.**

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

**7d. Provide a customer satisfaction measure, if available.**

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.





## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITY QLTY-TRANSFER</b>								
<b>CORE</b>								
<b>FUND TRANSFERS</b>								
NURSING FACILITY FED REIM ALLW	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00
TOTAL - TRF	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00
<b>TOTAL</b>	<b>1,500,000</b>	<b>0.00</b>	<b>1,500,000</b>	<b>0.00</b>	<b>1,500,000</b>	<b>0.00</b>	<b>1,500,000</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$1,500,000</b>	<b>0.00</b>	<b>\$1,500,000</b>	<b>0.00</b>	<b>\$1,500,000</b>	<b>0.00</b>	<b>\$1,500,000</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Nursing Facility Quality Transfer

Budget Unit 90860C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			1,500,000	1,500,000
Total	0	0	1,500,000	1,500,000
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Nursing Facility Federal Reimbursement Allowance (0196)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			1,500,000	1,500,000
Total			1,500,000	1,500,000
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Nursing Facility Federal Reimbursement Allowance (0196)

## 2. CORE DESCRIPTION

Transfer from the Nursing Facility Federal Reimbursement Allowance Fund to the Nursing Facility Quality of Care Fund to, upon appropriation, be used by the Department of Health and Senior Services for conducting inspections and surveys, and providing training and technical assistance to facilities licensed under the provisions of Chapter 198 of the Missouri Statutes. The transfer is provided for in section 198.418.1 RSMo.

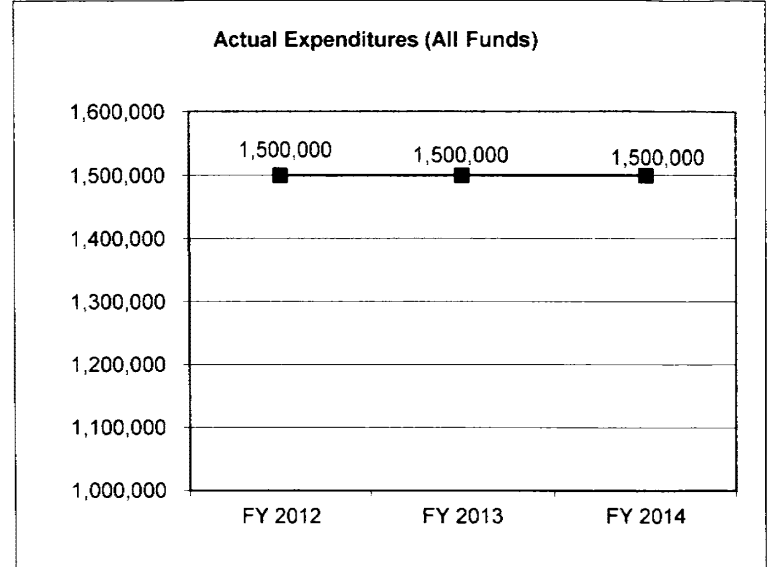
## 3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facility Quality Transfer

# CORE DECISION ITEM

## 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	1,500,000	1,500,000	1,500,000	1,500,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	1,500,000	1,500,000	1,500,000	N/A
Actual Expenditures (All Funds)	1,500,000	1,500,000	1,500,000	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A



## NOTES:

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**NURSING FACILITY QLTY-TRANSFER**

**5. CORE RECONCILIATION DETAIL**

	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	TRF	0.00	0	0	1,500,000	1,500,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>1,500,000</b>	<b>1,500,000</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	TRF	0.00	0	0	1,500,000	1,500,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>1,500,000</b>	<b>1,500,000</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	TRF	0.00	0	0	1,500,000	1,500,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>1,500,000</b>	<b>1,500,000</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITY QLTY-TRANSFER</b>								
<b>CORE</b>								
TRANSFERS OUT	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00
TOTAL - TRF	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00
<b>GRAND TOTAL</b>	<b>\$1,500,000</b>	<b>0.00</b>	<b>\$1,500,000</b>	<b>0.00</b>	<b>\$1,500,000</b>	<b>0.00</b>	<b>\$1,500,000</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$1,500,000	0.00	\$1,500,000	0.00	\$1,500,000	0.00	\$1,500,000	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Nursing Facility Quality Transfer

Program is found in the following core budget(s): Nursing Facility Quality Transfer

### 1. What does this program do?

Transfer from the Nursing Facility Federal Reimbursement Allowance Fund to the Nursing Facility Quality of Care Fund to, upon appropriation, be used by the Department of Health and Senior Services for conducting inspections and surveys, and providing training and technical assistance to facilities licensed under the provisions of Chapter 198 of the Missouri Statutes. The transfer is provided for in section 198.418.1 RSMo.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 198.418.1

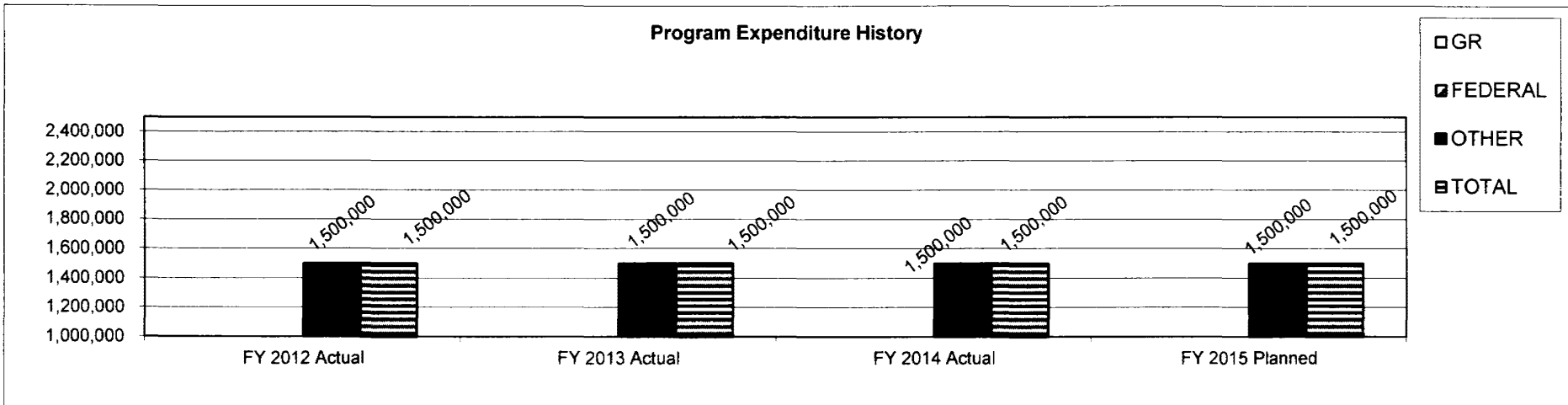
### 3. Are there federal matching requirements? If yes, please explain.

No.

### 4. Is this a federally mandated program? If yes, please explain.

No.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



**6. What are the sources of the "Other " funds?**

Nursing Facility Federal Reimbursement Allowance (0196)

**7a. Provide an effectiveness measure.**

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

**7b. Provide an efficiency measure.**

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

**7c. Provide the number of clients/individuals served, if applicable.**

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

**7d. Provide a customer satisfaction measure, if available.**

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.





# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>NURSING FACILITY FED REIMB AL</b>									
<b>CORE</b>									
<b>PROGRAM-SPECIFIC</b>									
NURSING FACILITY FED REIM ALLW	301,027,717	0.00	311,457,057	0.00	311,457,057	0.00	311,457,057	0.00	
TOTAL - PD	301,027,717	0.00	311,457,057	0.00	311,457,057	0.00	311,457,057	0.00	
<b>TOTAL</b>	<b>301,027,717</b>	<b>0.00</b>	<b>311,457,057</b>	<b>0.00</b>	<b>311,457,057</b>	<b>0.00</b>	<b>311,457,057</b>	<b>0.00</b>	
<b>Medicaid CTC - 1886018</b>									
<b>PROGRAM-SPECIFIC</b>									
NURSING FACILITY FED REIM ALLW	0	0.00	0	0.00	8,994,591	0.00	13,875,469	0.00	
TOTAL - PD	0	0.00	0	0.00	8,994,591	0.00	13,875,469	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>8,994,591</b>	<b>0.00</b>	<b>13,875,469</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$301,027,717</b>	<b>0.00</b>	<b>\$311,457,057</b>	<b>0.00</b>	<b>\$320,451,648</b>	<b>0.00</b>	<b>\$325,332,526</b>	<b>0.00</b>	

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## CORE DECISION ITEM

Department: Social Services

Budget Unit: 90567C

Division: MO HealthNet

Core: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

### 1. CORE FINANCIAL SUMMARY

	FY 2016 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD			311,457,057	311,457,057
TRF				
Total			<b>311,457,057</b>	<b>311,457,057</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Nursing Facility Federal Reimb Allowance Fund (NFFRA) (0196)

	FY 2016 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD			311,457,057	311,457,057
TRF				
Total			<b>311,457,057</b>	<b>311,457,057</b>
FTE				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Nursing Facility Federal Reimb Allowance Fund (NFFRA) (0196)

### 2. CORE DESCRIPTION

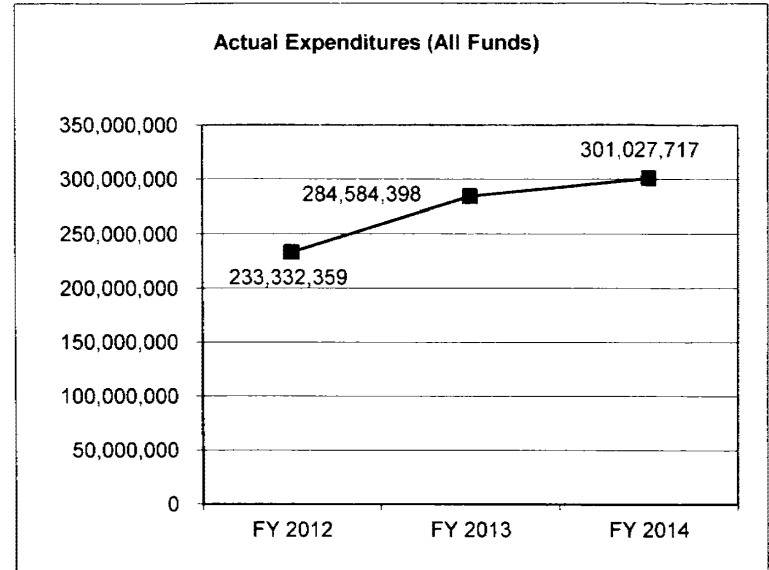
This core request is for ongoing funding for payments for long term care for Title XIX participants. Funds from this core are used to provide enhanced payment rates for improving the quality of patient care using the Nursing Facility Federal Reimbursement Allowance under the Title XIX of the Social Security Act as General Revenue equivalent. Nursing facilities are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal dollars. These earnings fund this NFFRA program appropriation.

### 3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facilities Federal Reimbursement Allowance (NFFRA) Program

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	235,091,755	301,027,717	301,027,717	311,457,057
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	235,091,755	301,027,717	301,027,717	N/A
Actual Expenditures (All Funds)	233,332,359	284,584,398	301,027,717	N/A
Unexpended (All Funds)	1,759,396	16,443,319	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	1,759,396	16,443,319	0	N/A
	(1)	(2)	(3)	



#### NOTES:

(1) FY12 "E" increase due to NFFRA rate increase.

(2) FY13 Estimated appropriation or "E" status removed.

(3) FY14 \$12,690,536 paid from supplemental pool.

#### 4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	Nursing Facility PMPM*	Acute Care PMPM	Total PMPM	Nursing Facility Percentage of Acute	Nursing Facility Percentage of Total
PTD	\$156.56	\$1,031.29	\$1,860.84	15.18%	8.41%
Seniors	\$820.89	\$363.32	\$1,541.27	225.94%	53.26%
Custodial Parents	\$0.33	\$468.91	\$495.28	0.07%	0.07%
Children*	\$0.00	\$276.10	\$307.93	0.00%	0.00%
Pregnant Women	\$0.00	\$596.36	\$609.11	0.00%	0.00%

Source: Table 23 Medical Statistics for Fiscal Year 2014 (claims paid data). Add-on payments funded from FRA provider tax not included.  
\* CHIP eligibles not included

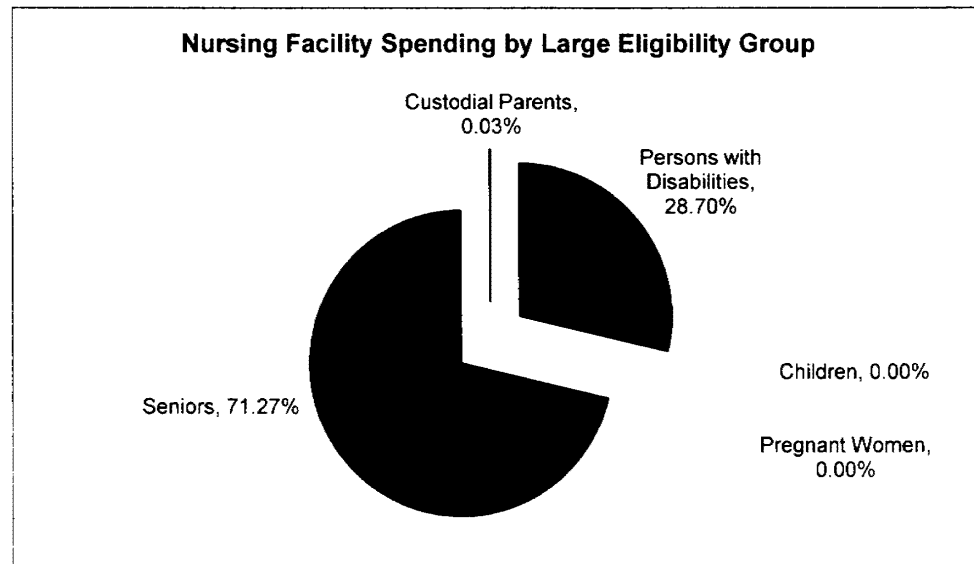
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for nursing facilities, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the nursing facility PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for nursing facilities. It provides a snapshot of what eligibility groups are receiving nursing facility services as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for Fiscal Year 2014 (claims paid data).

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****NURSING FACILITY FED REIMB AL**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	PD	0.00	0	0	311,457,057	311,457,057	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>311,457,057</b>	<b>311,457,057</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	PD	0.00	0	0	311,457,057	311,457,057	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>311,457,057</b>	<b>311,457,057</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	PD	0.00	0	0	311,457,057	311,457,057	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>311,457,057</b>	<b>311,457,057</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITY FED REIMB AL</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	301,027,717	0.00	311,457,057	0.00	311,457,057	0.00	311,457,057	0.00
TOTAL - PD	301,027,717	0.00	311,457,057	0.00	311,457,057	0.00	311,457,057	0.00
<b>GRAND TOTAL</b>	<b>\$301,027,717</b>	<b>0.00</b>	<b>\$311,457,057</b>	<b>0.00</b>	<b>\$311,457,057</b>	<b>0.00</b>	<b>\$311,457,057</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$301,027,717	0.00	\$311,457,057	0.00	\$311,457,057	0.00	\$311,457,057	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments**

**Program is found in the following core budget(s): Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments**

### **1. What does this program do?**

The Nursing Facilities Federal Reimbursement Allowance (NFFRA) program assesses nursing facilities in the state a fee for the privilege of doing business in the state. The funds collected by the state are used to fund the MO HealthNet Nursing Facility program and are used as state match for federal funding. In FY14, approximately 519 nursing facilities were assessed, and an average of 503 nursing facilities participated in the MO HealthNet program and received enhanced reimbursement. In FY14, NFFRA was \$12.11 per patient occupancy day and funds a portion of the nursing facility per diem reimbursement rate.

In FY 1995, the Nursing Facilities Federal Reimbursement Allowance program was implemented as part of a total restructuring of reimbursement for nursing homes. Reimbursement methodologies were changed to develop a cost component system. The components are patient care, ancillary, administration, and capital. A working capital allowance, incentives and the Nursing Facility Reimbursement Allowance (NFFRA) are also elements of the total reimbursement rate. Patient care includes nursing, medical supplies, activities, social services, and dietary costs. Ancillary services are therapies, barber and beauty shop, laundry, and housekeeping. Administration includes plant operation and administrative costs. Capital costs are reimbursed through a fair rental value methodology. The capital component includes five types of costs: rental value, return, computed interest, borrowing costs and pass - through expenses. Property insurance and real estate and personal property taxes (the pass-through expenses) are the only part of the capital component that is trended. The working capital allowance per diem rate is equal to 1.1 months of the total of the facility's per diem rates for the patient care, ancillary and administration cost components multiplied by the prime rate plus 2%. Incentives are paid to encourage patient care expenditures and cost efficiencies in administration. The patient care incentive is 10% of a facility's patient care per diem up to a maximum of 130% of the patient care median. The ancillary incentive is paid to all facilities whose costs are below the ancillary ceiling. The amount is one-half the difference between certain parameters. The multiple component incentive is allowed for facilities whose patient care and ancillary per diem are between 60 - 80% of total per diem and an additional amount is allowed for facilities with high MO HealthNet utilization.

Rate Increase History: FY15 \$1.25; FY13 \$6.41; FY10 \$6.15; FY09 \$6.00; FY08 \$9.00; FY07 \$3.17 (FY14 see Nursing Facilities).

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 198.401; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 443, Subpart B

### **3. Are there federal matching requirements? If yes, please explain.**

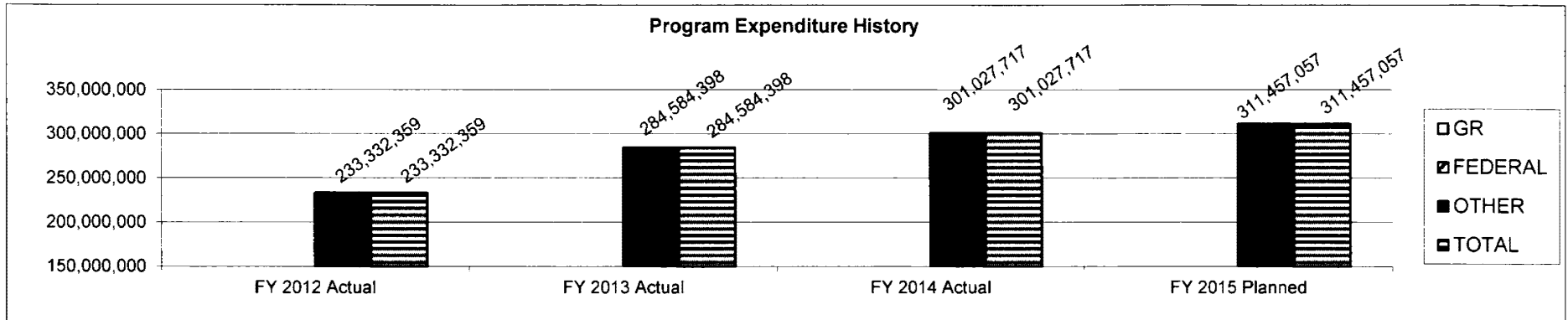
States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY15 is a blended 63.095% federal match. The state matching requirement is 36.905%. The nursing facility assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement.

### **4. Is this a federally mandated program? If yes, please explain.**

No.



**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

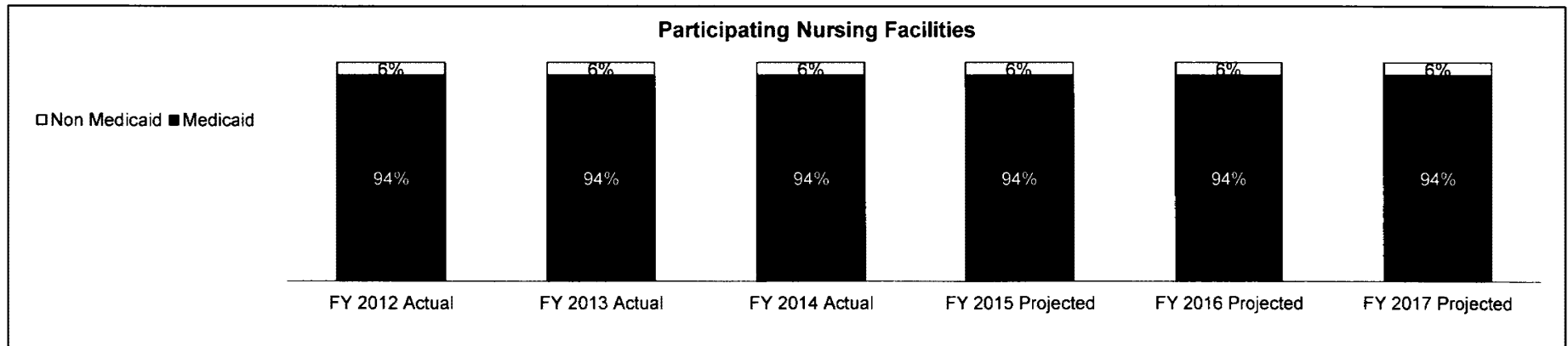


**6. What are the sources of the "Other " funds?**

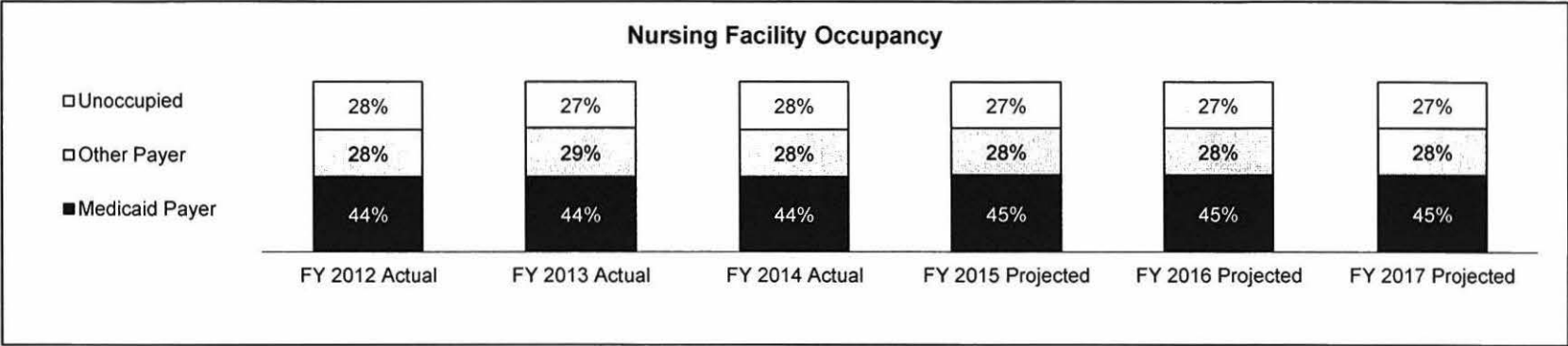
Nursing Facility Federal Reimbursement Allowance Fund (0196)

**7a. Provide an effectiveness measure.**

Provide reimbursement that is sufficient to ensure nursing facilities enroll in the MO HealthNet program. During the past three state fiscal years, over 90% of licensed nursing facilities in the state participated in the MO HealthNet program.

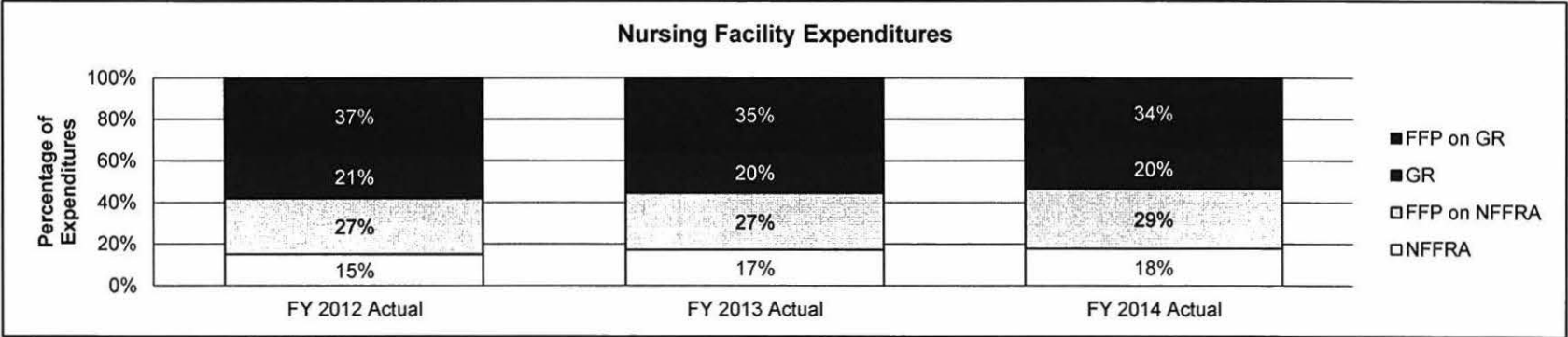


Provide adequate reimbursement to ensure MO HealthNet participants have sufficient access to care. In the past three state fiscal years, at least 27% of nursing facility beds were unoccupied. There are a sufficient number of beds available to care for MO HealthNet participants.



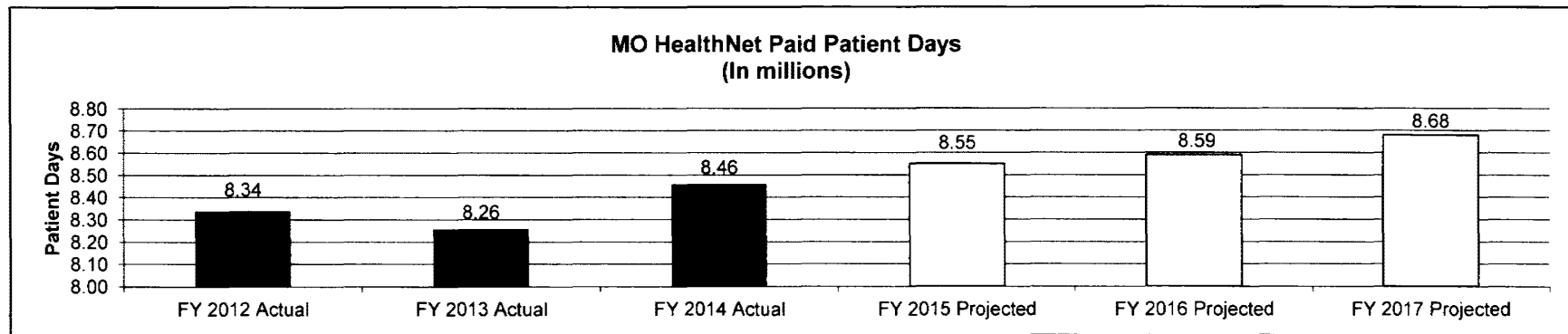
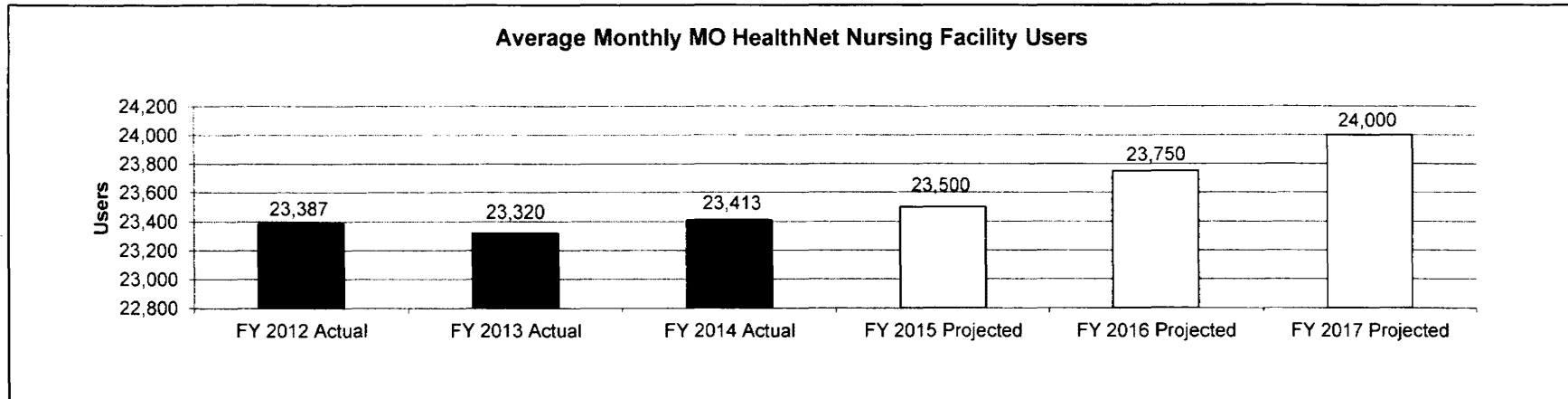
**7b. Provide an efficiency measure.**

Provide funding for the nursing facility program. During the past three state fiscal years, the nursing facility provider tax and the federal matching funds on the assessment provided at least 35% of nursing facility expenditures. NFFRA allows the state to provide enhanced reimbursements to nursing facilities minimizing the need for general revenue.



**7c. Provide the number of clients/individuals served, if applicable.**

Nursing Facility Federal Reimbursement Allowance (NFFRA) payments are made on behalf of MO HealthNet eligibles for long-term care services.



**7d. Provide a customer satisfaction, if applicable.**

N/A



# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>SCHOOL DISTRICT CLAIMING</b>									
<b>CORE</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	69,954	0.00	69,954	0.00	69,954	0.00	69,954	0.00	0.00
TITLE XIX-FEDERAL AND OTHER	28,606,070	0.00	54,653,770	0.00	54,653,770	0.00	54,653,770	0.00	0.00
TOTAL - PD	28,676,024	0.00	54,723,724	0.00	54,723,724	0.00	54,723,724	0.00	0.00
<b>TOTAL</b>	<b>28,676,024</b>	<b>0.00</b>	<b>54,723,724</b>	<b>0.00</b>	<b>54,723,724</b>	<b>0.00</b>	<b>54,723,724</b>	<b>0.00</b>	<b>0.00</b>
<b>Medicaid CTC - 1886018</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	180,046	0.00	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	180,046	0.00	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>180,046</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$28,676,024</b>	<b>0.00</b>	<b>\$54,723,724</b>	<b>0.00</b>	<b>\$54,723,724</b>	<b>0.00</b>	<b>\$54,903,770</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: School District Medicaid Claiming

Budget Unit: 90569C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	69,954	54,653,770		54,723,724
TRF				
Total	69,954	54,653,770		54,723,724
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	69,954	54,653,770		54,723,724
TRF				
Total	69,954	54,653,770		54,723,724
FTE				

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

## 2. CORE DESCRIPTION

This core request is for the ongoing funding for payments for school-based administrative and school-based EPSDT services.

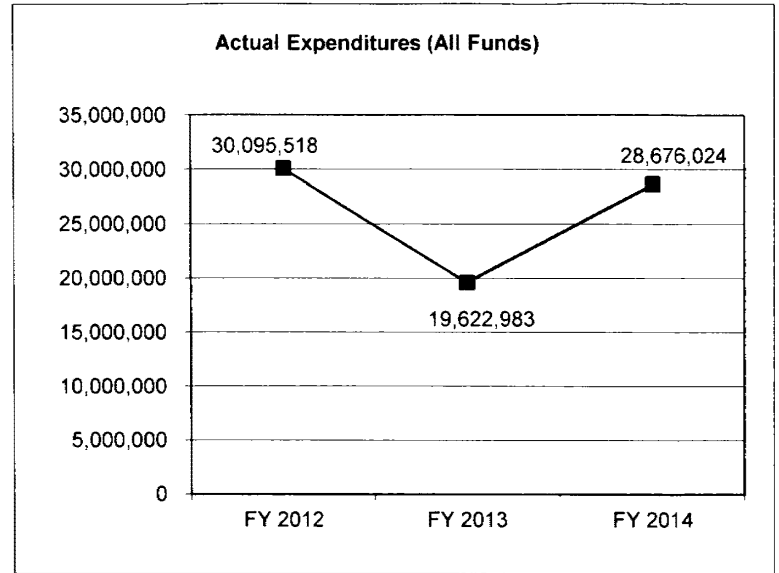
The purpose of the services provided by the school is to ensure a comprehensive, preventative health care program for MO HealthNet eligible children. The program provides early and periodic (EPSDT) medical/dental screenings, diagnosis and treatment to correct or improve defects and chronic conditions found during the screenings.

## 3. PROGRAM LISTING (list programs included in this core funding)

School-based administrative and school-based EPSDT services.

#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Current Yr.	FY 2014 Current Yr.
Appropriation (All Funds)	54,723,724	54,653,770	54,723,724	54,723,724
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	54,723,724	54,653,770	54,723,724	N/A
Actual Expenditures (All Funds)	30,095,518	19,622,983	28,676,024	N/A
Unexpended (All Funds)	24,628,206	35,030,787	26,047,700	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	24,628,206	35,030,787	26,047,700	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY12 Expenditures of \$27,646 were paid from the Supplemental Pool.

(2) FY13 Estimated appropriation or "E" status removed and expenditures of \$28,260 were paid from the Supplemental Pool.

(3) FY14 Expenditures of \$79,373 GR were paid from the Supplemental Pool.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****SCHOOL DISTRICT CLAIMING**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<hr/>							
<b>TAFP AFTER VETOES</b>	PD	0.00	69,954	54,653,770	0	54,723,724	
	<b>Total</b>	<b>0.00</b>	<b>69,954</b>	<b>54,653,770</b>	<b>0</b>	<b>54,723,724</b>	
<hr/>							
<b>DEPARTMENT CORE REQUEST</b>	PD	0.00	69,954	54,653,770	0	54,723,724	
	<b>Total</b>	<b>0.00</b>	<b>69,954</b>	<b>54,653,770</b>	<b>0</b>	<b>54,723,724</b>	
<hr/>							
<b>GOVERNOR'S RECOMMENDED CORE</b>	PD	0.00	69,954	54,653,770	0	54,723,724	
	<b>Total</b>	<b>0.00</b>	<b>69,954</b>	<b>54,653,770</b>	<b>0</b>	<b>54,723,724</b>	
<hr/>							



# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>SCHOOL DISTRICT CLAIMING</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	28,676,024	0.00	54,723,724	0.00	54,723,724	0.00	54,723,724	0.00
TOTAL - PD	28,676,024	0.00	54,723,724	0.00	54,723,724	0.00	54,723,724	0.00
<b>GRAND TOTAL</b>	<b>\$28,676,024</b>	<b>0.00</b>	<b>\$54,723,724</b>	<b>0.00</b>	<b>\$54,723,724</b>	<b>0.00</b>	<b>\$54,723,724</b>	<b>0.00</b>
GENERAL REVENUE	\$69,954	0.00	\$69,954	0.00	\$69,954	0.00	\$69,954	0.00
FEDERAL FUNDS	\$28,606,070	0.00	\$54,653,770	0.00	\$54,653,770	0.00	\$54,653,770	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: School Districts Medicaid Claiming**

**Program is found in the following core budget(s): School Districts Medicaid Claiming**

### **1. What does this program do?**

This core appropriation provides funding for payment for school district administration claiming and school-based EPSDT services consisting of physical, occupational, and speech therapy services, audiology, personal care, private duty nursing, and psychology counseling services identified in an Individualized Education Plan (IEP) for school age children. An interagency agreement is in place between the MO HealthNet Division and participating school districts for administrative claiming. For school based direct services, each school district enrolls with MO HealthNet to provide the most efficient administration of the school-based EPSDT services for children within the school system. The provision of school-based EPSDT services by school districts expands MO HealthNet EPSDT services and has been determined to be an effective method of coordinating services and improving care. The federal share of expenditures for these services provided by DESE school districts are being paid through this appropriation.

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

42 CFR 441.50 and 441.55-441.60

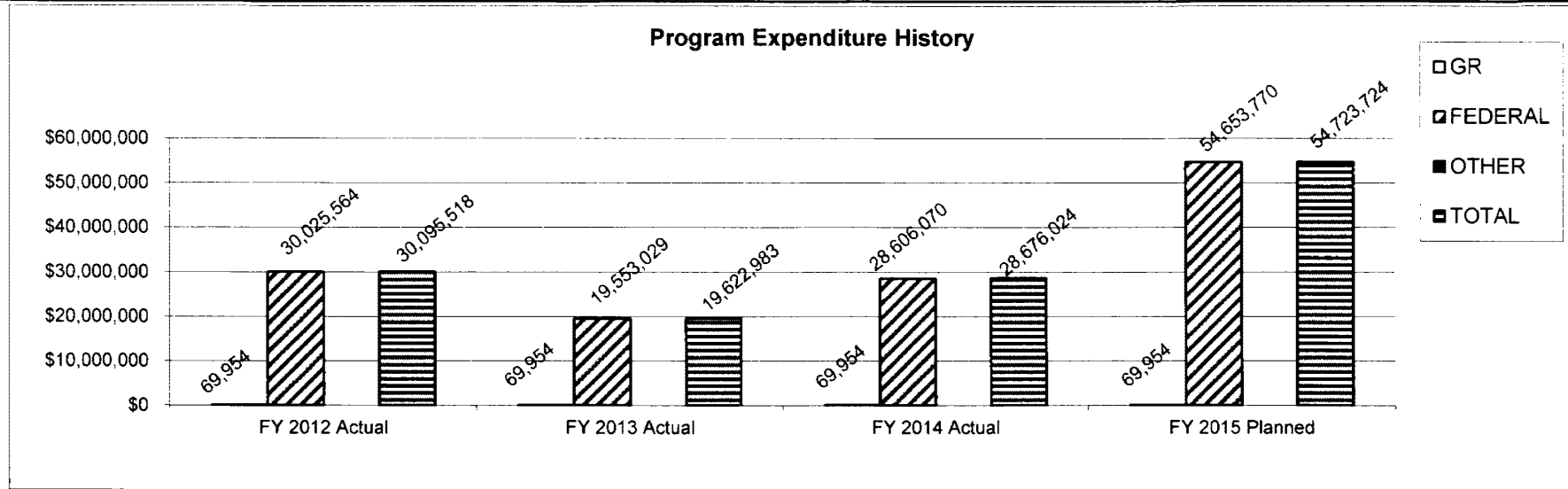
### **3. Are there federal matching requirements? If yes, please explain.**

Medicaid allowable services provided by school districts receive a federal medical assistance percentage (FMAP) on expenditures. Administrative expenditures earn a 50% federal match and the state matching requirement is 50%. Direct services earn Missouri's FMAP. Generally, Missouri's FMAP for FY 15 is a blended 63.095% federal match rate. The state matching requirement is 36.905%.

### **4. Is this a federally mandated program? If yes, please explain.**

No

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



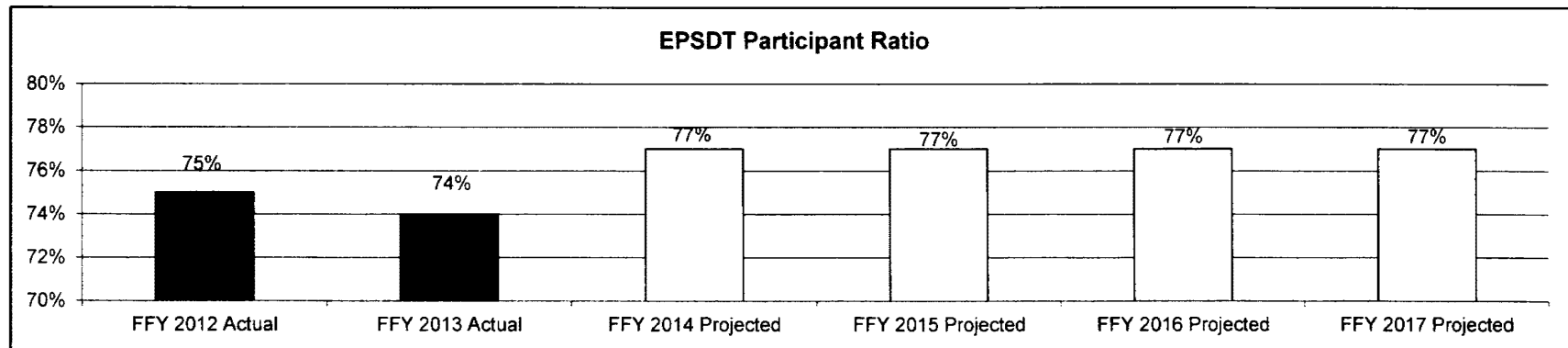
FY 14 actual expenditures do not reflect \$79,373 paid from supplemental pool.

**6. What are the sources of the "Other " funds?**

N/A

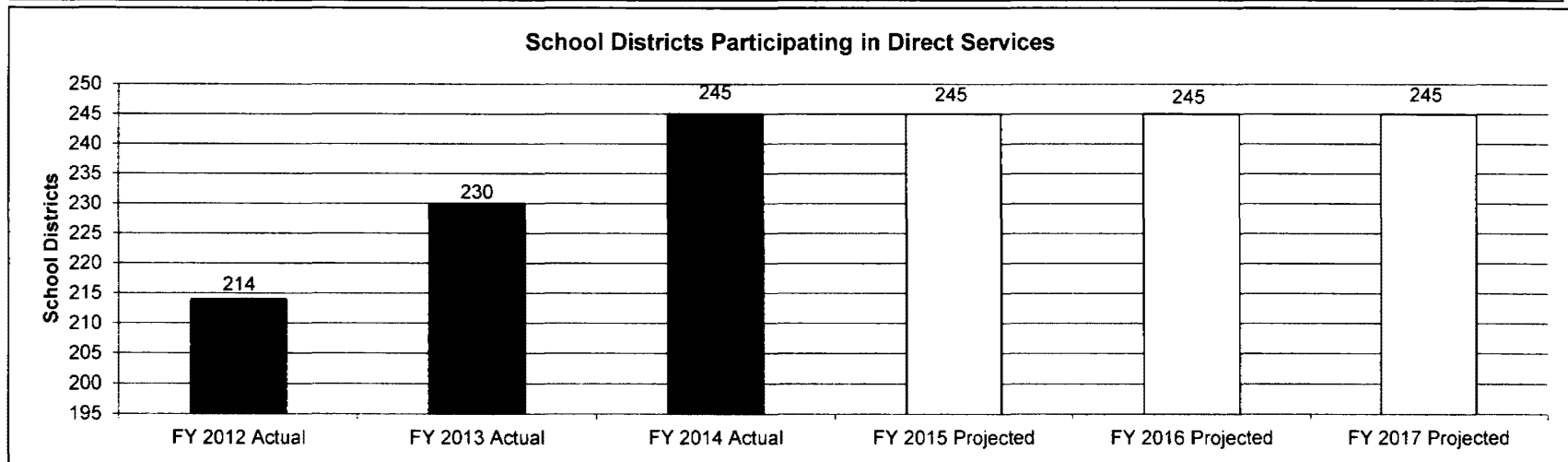
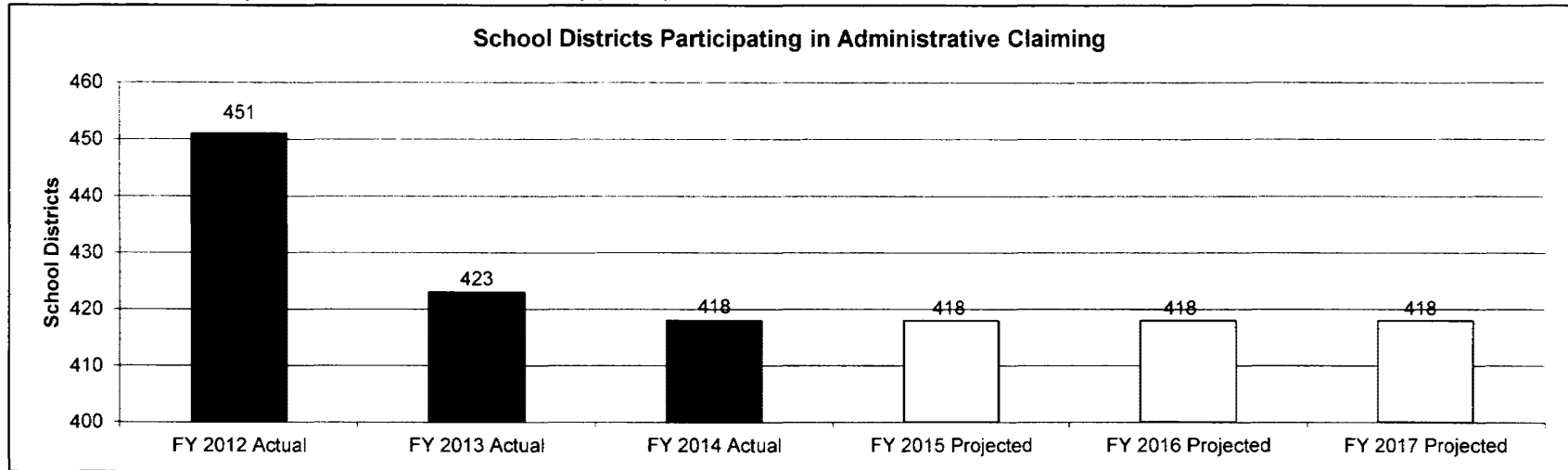
**7a. Provide an effectiveness measure.**

Increase the provision of medically necessary services to MO HealthNet eligible children as provided through EPSDT by 42 CFR 441 Subpart B. The EPSDT participant ratio increased from FFY 2013 to FFY 2014. The rate for FFY14 is 77%.



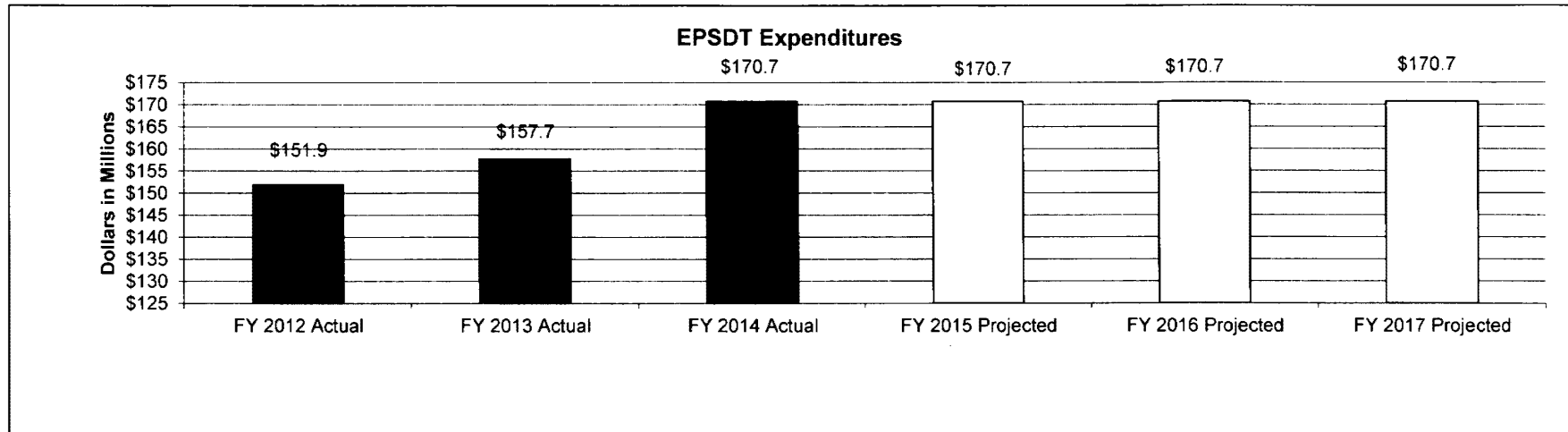
Based on federal fiscal year in which report was submitted to CMS.

Increase the number of schools participating in administrative claiming and school based services. In SFY 2014 there were 418 schools participating in administrative claiming which is a decrease of 5 schools. In SFY 2014, there were 245 school districts participating in school based services which is an increase of 15 schools. Any school district in the state may participate.

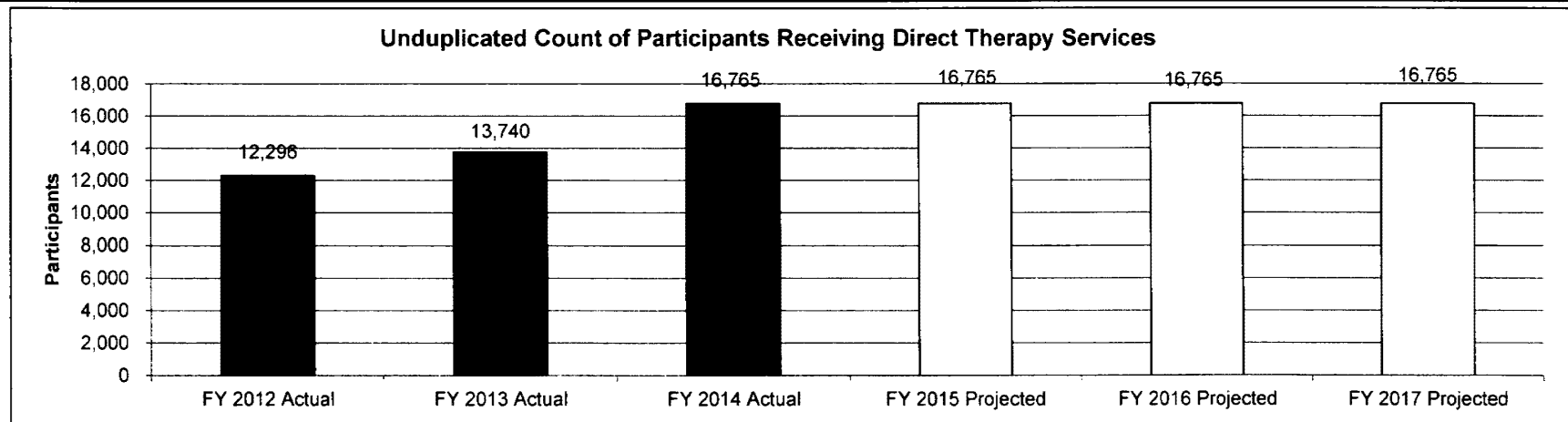


**7b. Provide an efficiency measure.**

Increase the EPSDT participant ratio while maximizing federal claiming opportunities to benefit local school districts. In SFY 2014, EPSDT expenditures increased approximately 8.24% from SFY 2012 while the EPSDT participant ratio increased 3% in FFY 2014. SFY14 EPSDT expenditures are \$170.7 million.



**7c. Provide the number of clients/individuals served, if applicable.**



**7d. Provide a customer satisfaction measure, if available.**

N/A



# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>BLIND PENSION MEDICAL BENEFITS</b>								
<b>CORE</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	24,256,396	0.00	24,256,396	0.00
MO SENIOR SRVC PROTECTION FUND	21,489,941	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	21,489,941	0.00	0	0.00	24,256,396	0.00	24,256,396	0.00
<b>TOTAL</b>	<b>21,489,941</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>24,256,396</b>	<b>0.00</b>	<b>24,256,396</b>	<b>0.00</b>
<b>Pharmacy PMPM-Specialty - 1886016</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,035,839	0.00	935,407	0.00
TOTAL - PD	0	0.00	0	0.00	1,035,839	0.00	935,407	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,035,839</b>	<b>0.00</b>	<b>935,407</b>	<b>0.00</b>
<b>Pharmacy PMPM-Non Specialty - 1886025</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	289,828	0.00	194,730	0.00
TOTAL - PD	0	0.00	0	0.00	289,828	0.00	194,730	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>289,828</b>	<b>0.00</b>	<b>194,730</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$21,489,941</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$25,582,063</b>	<b>0.00</b>	<b>\$25,386,533</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Blind Pension Medical

Budget Unit: 90165C

## 1. CORE FINANCIAL SUMMARY

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	24,256,396			24,256,396
TRF				
Total	24,256,396			24,256,396
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	24,256,396			24,256,396
TRF				
Total	24,256,396			24,256,396
FTE				

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

## 2. CORE DESCRIPTION

This core funds a state only health care benefit for Blind Pension participants who do not qualify for Title XIX Medicaid.

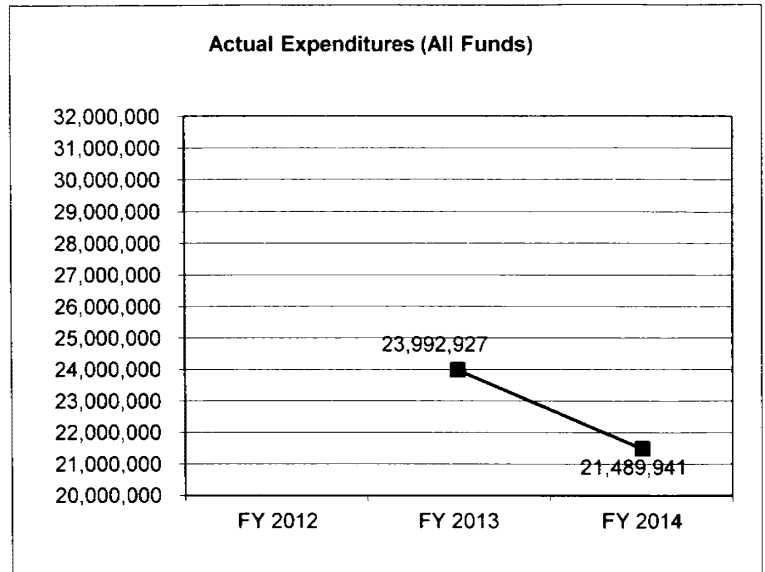
## 3. PROGRAM LISTING (list programs included in this core funding)

Blind Pension Medical



#### 4. FINANCIAL HISTORY

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.
Appropriation (All Funds)		28,112,915	25,122,517	31,909,681
Less Reverted (All Funds)		(150,000)	0	N/A
Budget Authority (All Funds)	0	28,112,915	25,122,517	31,909,681
Actual Expenditures (All Funds)		23,992,927	21,489,941	N/A
Unexpended (All Funds)	0	4,119,988	3,632,576	N/A
Unexpended, by Fund:				
General Revenue			0	N/A
Federal			0	N/A
Other			3,632,576	N/A
	(1)	(2)	(3)	(4)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

#### NOTES:

(1) FY12 This section resided in State Medical.

(2) FY13 Blind Pension Medical was located in the Family Service Division.

(3) FY14 Agency reserve of \$3,632,576 Other Funds. Other expenditures paid; \$1,455,738 Hospital Care; \$969,155 Supplemental Pool; \$2,485,711 Pharmacy; \$3,054,895 Physician Related.

(4) FY15 This section moved to FSD

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**BLIND PENSION MEDICAL BENEFITS**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reallocation	492	8416	PD		0.00	24,256,396	0	0	24,256,396	Core transfer from FSD.
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>24,256,396</b>	<b>0</b>	<b>0</b>	<b>24,256,396</b>	
<b>DEPARTMENT CORE REQUEST</b>										
			PD		0.00	24,256,396	0	0	24,256,396	
<b>Total</b>					<b>0.00</b>	<b>24,256,396</b>	<b>0</b>	<b>0</b>	<b>24,256,396</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
			PD		0.00	24,256,396	0	0	24,256,396	
<b>Total</b>					<b>0.00</b>	<b>24,256,396</b>	<b>0</b>	<b>0</b>	<b>24,256,396</b>	

# DECISION ITEM DETAIL

Budget Unit	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2016
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>BLIND PENSION MEDICAL BENEFITS</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	21,489,941	0.00	0	0.00	24,256,396	0.00	24,256,396	0.00
TOTAL - PD	21,489,941	0.00	0	0.00	24,256,396	0.00	24,256,396	0.00
<b>GRAND TOTAL</b>	<b>\$21,489,941</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$24,256,396</b>	<b>0.00</b>	<b>\$24,256,396</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$24,256,396	0.00	\$24,256,396	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$21,489,941	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department:** Social Services

**Program Name:** Blind Pension Medical

**Program is found in the following core budget(s):** Blind Pension Medical

### 1. What does this program do?

The Blind Pension Medical program provides a state only funded health care benefit for Blind Pension participants who do not qualify for Title XIX Medicaid. Recipients of the Blind Pension Medical program qualify for the Blind Pension benefit provided for in law (ref. Missouri Constitution, Article III, Section 38 (b)). Eligibility requirements for the program follow:

- 18 years of age or older;
- Lives in Missouri and intends to remain;
- United States citizen or eligible non-citizen;
- Has not given away, sold, or transferred real or personal property in order to be eligible for Blind Pension;
- Single, or married and living with spouse, and does not own real or personal property worth more than \$20,000. In determining the value of the property, the following is not considered: the home in which the blind person lives, clothing, furniture, household equipment, personal jewelry, or any property used directly by the blind person in earning a living.
- Is of good moral character;
- Has no sighted spouse living in Missouri who can provide support;
- Does not publicly solicit alms;
- Is determined to be totally blind as defined by law (up to 5/200 or visual field of less than 5 degrees);
- Is willing to have a medical treatment or an operation to cure their blindness, unless they are 75 years old or older;
- Is not a resident of a public, private, or endowed institution except a public medical institution;
- Is found to be ineligible for Supplemental Aid to the Blind; and
- Is found ineligible to receive federal Supplemental Security Income benefits.
- **NOTE:** There is no income test for Blind Pension.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.151, 208.152

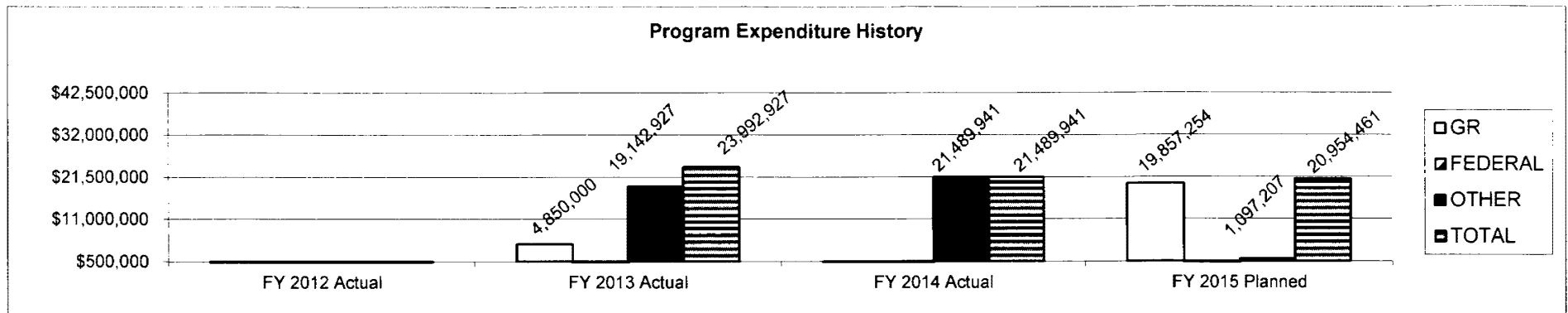
### 3. Are there federal matching requirements? If yes, please explain.

No.

### 4. Is this a federally mandated program? If yes, please explain.

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

Pharmacy Federal Reimbursement Allowance Fund (0144); Missouri Senior Services Protection Fund (0425); Blind Pension Healthcare(0726); Blind Pension Premium (0725).

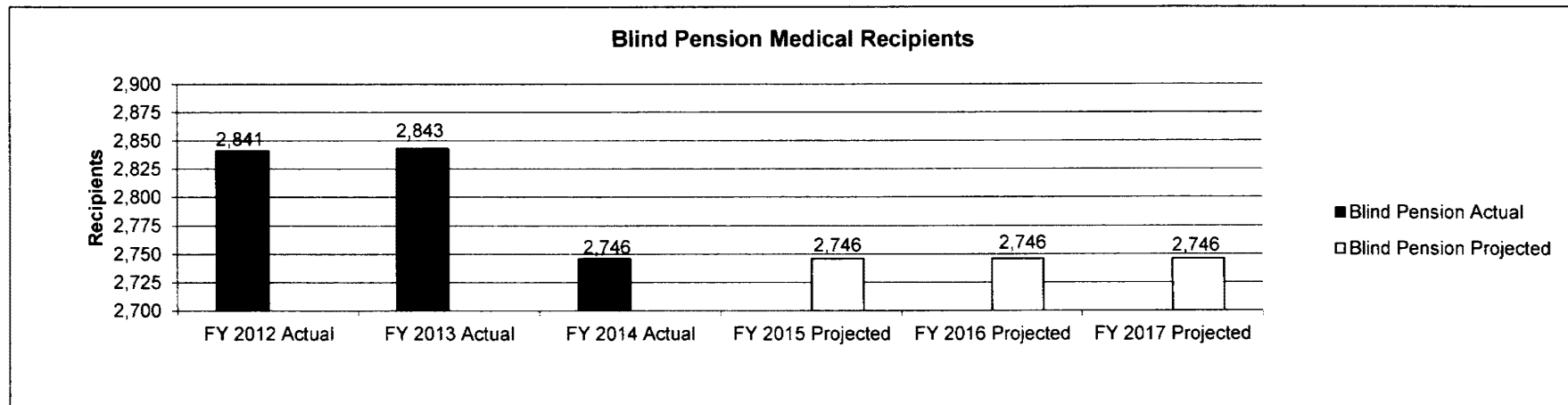
**7a. Provide an effectiveness measure.**

This appropriation represents a group of eligibles and not just one program. Effectiveness measures for the Blind Pension Medical appropriation are incorporated into fee-for-service program sections.

**7b. Provide an efficiency measure.**

This appropriation represents a group of eligibles and not just one program. Effectiveness measures for the Blind Pension Medical appropriation are incorporated into fee-for-service program sections.

**7c. Provide the number of clients/individuals served, if applicable.**



**7d. Provide a customer satisfaction measure, if available.**

N/A